

MARKETING STRATEGY

FOR

PRIVATE HOUSING MARKET IN THAILAND

By

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ABSTRACT

Marketing is an important part of a business strategy. A company develops a marketing strategy to match their resources and capabilities to customer's changing needs and wants, at a profit. This paper presents the marketing strategy of housing companies in the high-end market segment of Thai private housing market. The framework includes the 4Ps marketing mix and relationship marketing. The 4Ps marketing mix concerns product, price, promotion and place element of house products and services; whereas the relationship marketing emphasizes on customer relationships, service after sales, reputation and image of housing companies; and experience and expertise of housing companies. The research investigates the market and its customers' satisfaction, and identifies the needs of the market. The final aim is to propose possible courses of action for housing companies to improve the fulfillment of the market.

KEYWORDS

Housing market,
Housing company,
High-end product,
The 4Ps marketing Mix,
Relationship marketing,

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CHAPTER 1 INTRODUCTION

1.1 THE BACKGROUND OF THAI PRIVATE HOUSING MARKET

Numbers of the lessons Thais learnt from the economy crisis in 1997 are the lack of the knowledge of real estate market, poor planning and an insufficient market research in Thai housing market, which have been seen as part of the reasons of the economy crisis. Many of inexperienced developers and even a few experienced ones, large and small, were forced out of the market when the crisis hit Thailand and the number of new project launches declined as a consequence.

In 2000, the Thai housing market was slow recovering but it was not until more recently that economy has shown signs of sustained growth. Data shows an increase in the number and value of units launched since 2000. By 2003, the number of new units launched and the total value was already greater than in 1997. Figure 1 shows the value and number of the units launched in each year from 1994 to 2004.

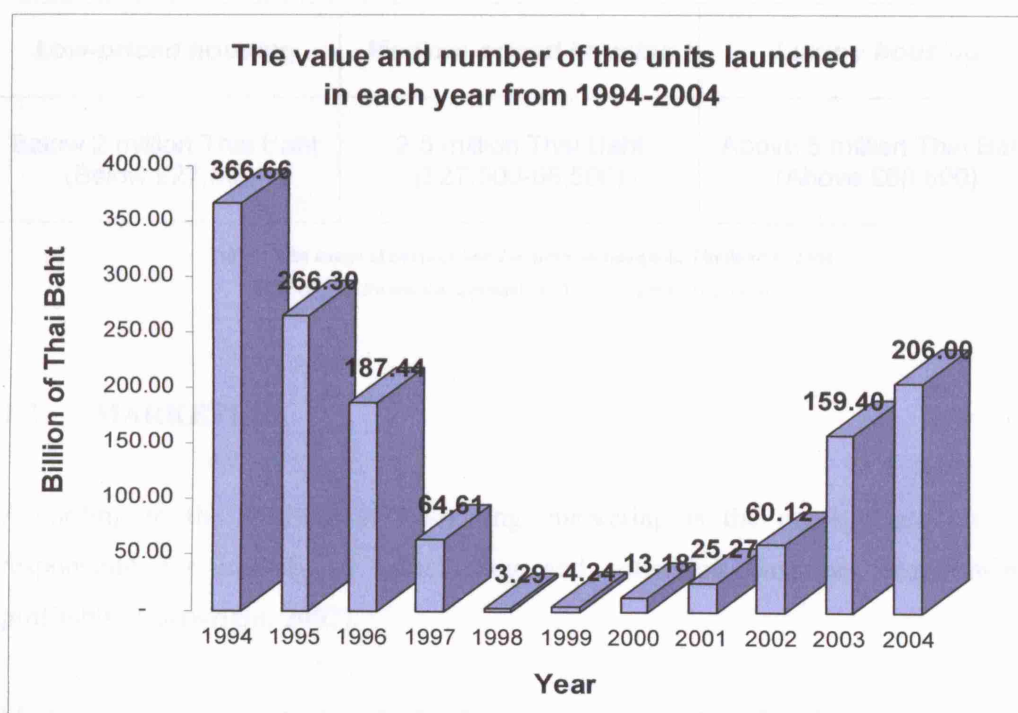


Figure 1 The value and number of the units launched in each year from 1994 to 2004

(Source: <http://www.thaiappraisal.org/English/ThaiRealEstate/ThaiR11.htm>)

However, two key differences were found between the types of projects launched prior to and after the crisis: *location* and *target market*.

Prior to the crisis, new projects consisted primarily of low-priced condominiums located in the fringe areas of the Bangkok Metropolitan Region (BMR). After the crisis, projects have been mostly high-priced housing units located more centrally – in the hub of the city, and in eastern and western parts of the Bangkok city (where there are better and more accessible roads networks). The reason behind this is that the demand for the low-priced condominiums is low since there is still a large number of low-priced unit remains vacant in the market since the 1997 crisis. Therefore developers have shifted up-market and are now focusing on high-end products. These products also tend to offer a range of amenities and target primarily upper-middle class and wealthy Thais.

Table 1 shows the range of average housing price in Bangkok in 2004.

The range of average housing price in Bangkok, Thailand in 2004		
<i>Low-priced housing</i>	<i>Medium-priced housing</i>	<i>Luxury housing</i>
Below 2 million Thai Baht (Below £27,500)	2-5 million Thai Baht (£27,500-68,500)	Above 5 million Thai Baht (Above £68,500)

Table 1 The range of average housing price in Bangkok, Thailand in 2004

(Source: <http://www.thaiappraisal.org/Thai/Market/Market64.htm>)

1.2 MARKETING

According to the Institute of Marketing, marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably (Cartwright, 2002).

Marketing is an important part of a business strategy; Ansoff (1987) suggests that firms need a well defined scope and growth direction; the product market scope

specifies that particular sector to which the firm confines its position, the growth sector indicates the direction in which the firm is moving with respect to its current market posture.

Through a marketing strategy, housing company can match company's resources and capabilities to customers' changing needs and wants, at a profit. Apart from developing products and providing services to fill both current and future requirements of customers, the marketing strategy concerns company's reputation as well as relationships between the company and customers; as two definitions of marketing are given that:

Marketing is the competitive process by which goods and services are offered for consumption at a profit. This definition should be seen in the broadest possible terms. It is about building a reputation and making sales for generating long-term positive and profitable business activities in specific markets. It means gaining credibility and reputation in order to establish effective and co-operative working relationships (Pettinger, 1998).

Marketing is perhaps best described as a two-way communication process between an organization and its customers (Cartwright, 2002). This is emphasized by Pettinger (1998) that the fundamental concept of marketing is that all business activities are in some way the relationship between oneself and one's clients. Marketing takes the view that the most important stakeholders in the organization are the customers and that keeping them contented and satisfied, and returning for repeat business or at least recommending to other potential customers, is the first concern of all the staff.

From the many and diverse range of definitions, the core concepts of marketing is given by Preece et al. (1997) as:

- satisfying needs, wants, and demands;
- providing products and services;
- ensuring value for money and the satisfaction of customers;
- building relationships;
- making a profit for the business.

1.3 RESEARCH OBJECTIVES

The paper focuses on the marketing strategy of housing companies in Thai private housing market which is influenced by the change of market environment. The research begins with literature review and developing the framework of the research followed by investigating and analyzing the market and its customers' satisfaction, and identifying market needs. Finally, conclusions and recommendations will be made.

The objectives of the research are:

- to investigate private housing market in Bangkok focusing on the high-end segment of the market, and an attention will be given to the housing projects located in central Bangkok and the fringe area of Bangkok where they are accessible with road networks;
- to analyze and identify the attributes of market need, which are useful for developing a marketing strategy;
- to make conclusions and recommendations on marketing strategy for private housing market in Bangkok.

CHAPTER 2 CONCEPTUAL FRAMEWORK

2.1 THE 4Ps MARKETING MIX

The marketing mix is one of the dominant ideas in modern marketing (Kotler et al., 1996).

Definition of the ‘Marketing Mix’: the mixture of the marketing variables which we can control, and more precisely the amount of each which we choose for a particular situation (Randall, 1994). Kotler et al. (1996) defines marketing mix¹ as the set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market.

There are interaction and integration between the variables which must always be remembered that each element never acts alone, but always as part of the overall mix (Randall, 1994).

The best-known and widespread-used marketing mix is the “4Ps” which includes

- Product
- Price
- Promotion
- Place

(McCarthy, cited in Randall 1994, p.80)

Figure 2 shows the 4Ps marketing mix with the particular marketing tools under each P.

¹ The marketing mix consists of everything the firm can do to influence the demand for its product (Kotler et al., 1996).

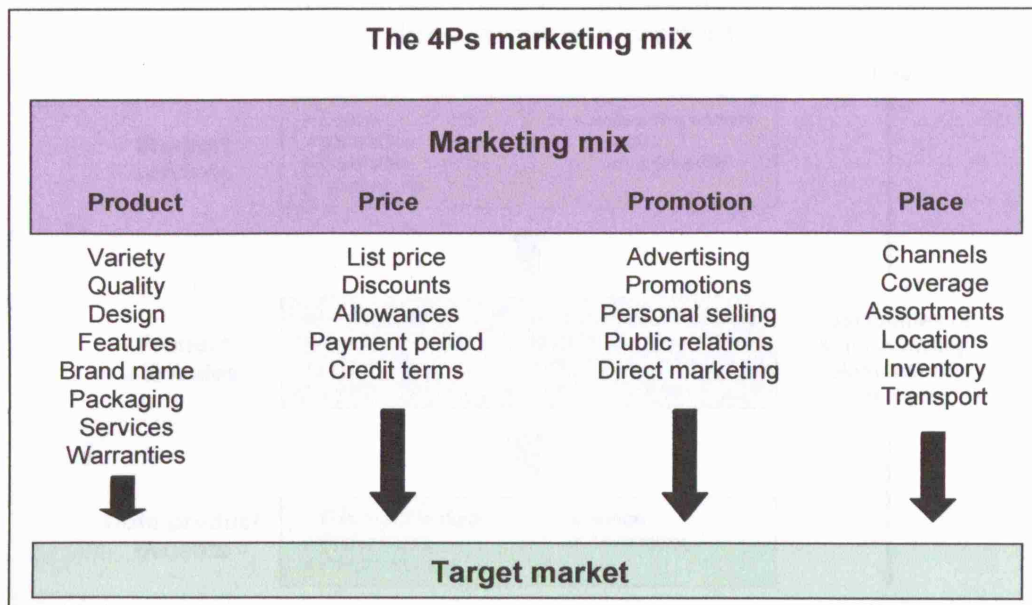


Figure 2 The 4Ps marketing mix

(Source: Kotler et al., 1996; p.97)

PRODUCT

Product means the totality 'goods-and-service' that the company offers the target market for attention, acquisition, use or consumption and that might satisfy a want or need of customers (Kotler et al., 1996). It can be broken down in many ways, such as physical attributes, quality, styling, features, branding, service before and after sales and guarantee policy (Randall, 1994).

Three levels of a product are presented by Hollensen (2003) (see Figure 3). The first level is the core product benefit – the fundamental service or benefit that the customer is really buying. The second level is the product attribute or actual product which is a composite of several factors or conditions buyers normally expect when they purchase this product, for example, a quality level, features, design, a brand name and packaging. The third level is the support service – the additional consumer service and benefit offered to the customer (Dibb et al., 1994 and Kotler, 2003).

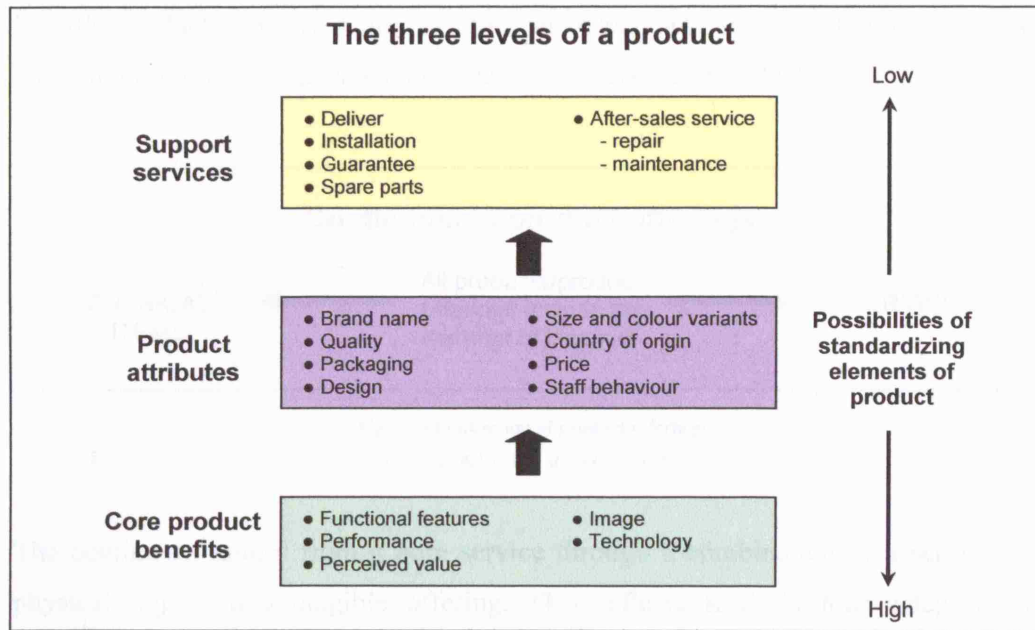


Figure 3 The three levels of a product

(Source: Hollensen, 2003; p.452)

Pettinger (1998) introduces product integrity² as one of product levels (see Figure 4).

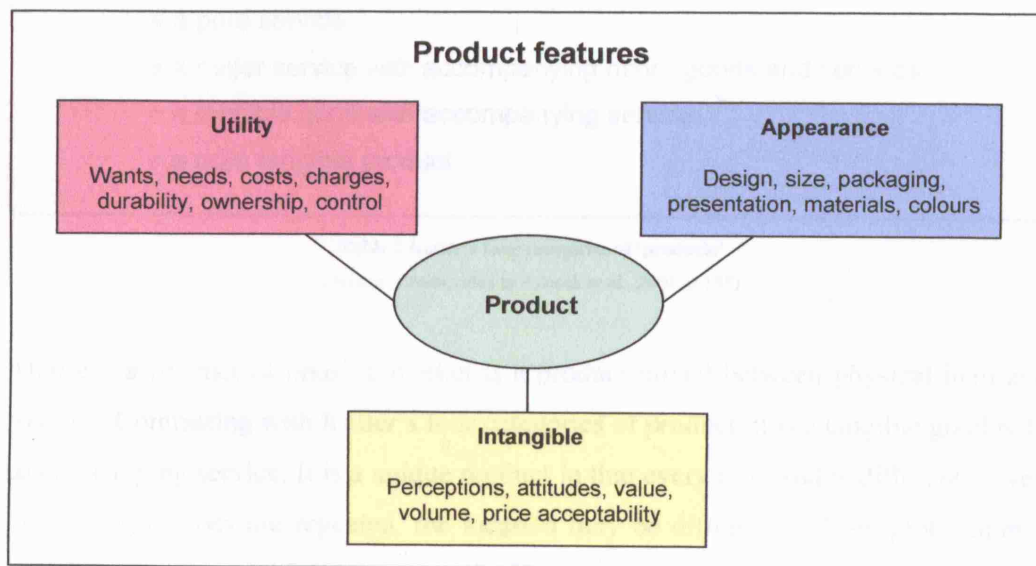


Figure 4 Product features

(Source: Pettinger, 1998; p.103)

² Product integrity is described as the sum of all the features and properties of the product and related to the purpose for which the client has purchases it. It is a combination of total product performance with a full understanding of the total effects on the client's future well-being, the effects on the end-users and wider general public and professional perception and reception.

Usually products involve a mix of physical objects and services. Figure 5 shows a continuum of product offerings introduced by Adcock et al. (2001).

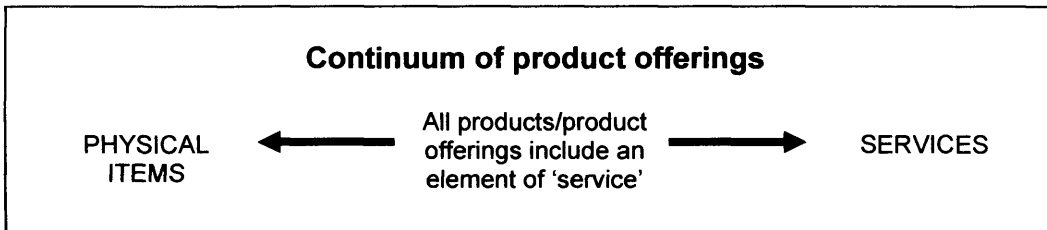


Figure 5 Continuum of product offerings

(Source: Adcock et al., 2001; p.185)

The continuum ranges from a pure service through a combination of a service and physical object to a tangible offering. This reflects Kotler's four categories of 'products' shown in Table 2.

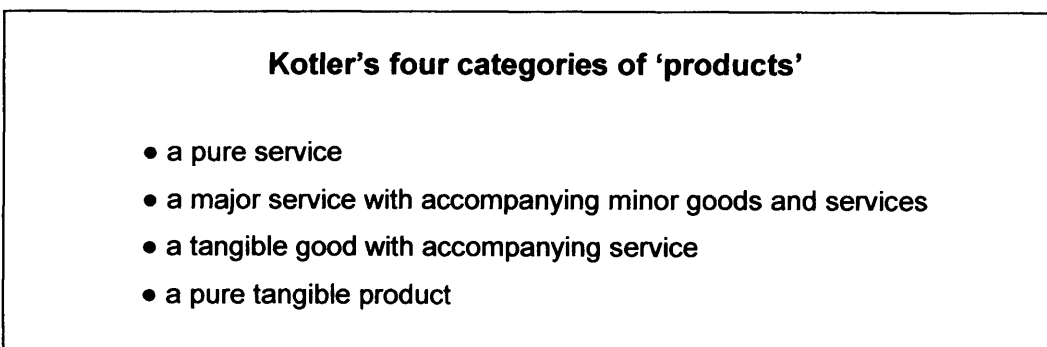


Table 2 Kotler's four categories of 'products'

(Source: Kotler, cited in Adcock et al., 2001; p.185)

House – a product of housing market is a product mixed between physical item and service. Contrasting with Kotler's four categories of product, it is a tangible good with accompanying service. It is a unique product in that every unit sold is different – even if the house types are repeated, the location may be different and the plot within a development has a unique aspect to it. There is also scope for customization, e.g. décor, kitchen units/worktops and bathroom fittings. Houses are not mass produced consumer goods. In Thai private housing market, house products are offered with varying features which are a competitive tool for differentiating the company's product from competitors' product to attract customers. Some of significant features of products concerned by housebuyers are shown in Table 3.

Significant features of house product concerned by housebuyers

Style: style describes the appearance of a house which is usually arranged following the concept of housing project. It is aesthetics of how a house looks.

Design: design is more than skin deep - a broader concept than style. Design contributes to a product's usefulness as well as its looks. Applied to a house, it is about the layout, functioning and performance of the house. A good designer considers appearance but also creates houses that are easy, safe, inexpensive to use and service, and simple and economical to produce (Kotler et al., 1996).

Quality: quality refers to the ability of a product to perform its functions. It includes, for instance, the product's overall durability, reliability, precision and ease of operation and repair. Comforts provided by the house; and quality of house structuring and materials used when building a house are included in this feature (Kotler et al., 1996).

Branding or developer's reputation: branding is an important part of a product which can help differentiate a firm's product from that of its competitor's product. It also has added values that fulfill customers' psychological needs. These added values are intangible benefits best interpreted as inspiring consumer's confidence in the brand as they perceive it to be of superior quality and more desirable than competitive brands in the market (Kotler et al., 1996).

Service: service is any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything; though its production may or may not be tied to a physical product (Kotler et al., 1996). Service involving in housing market can be seen in pre-sales and after-sales service, such as project enquiry service, house loan or financial assistance and repairing service after sales.

Table 3 Significant features of house product concerned by housebuyers

Service is also concerned in house product and it can be included in the product element of the 4Ps marketing mix. Three types of marketing in service are shown in Figure 6 (Gronroos; cited in Kotler, 2003). Service marketing requires not only external marketing, but also internal marketing and interactive marketing (Kotler, 2003 and Kotler et al., 1996).

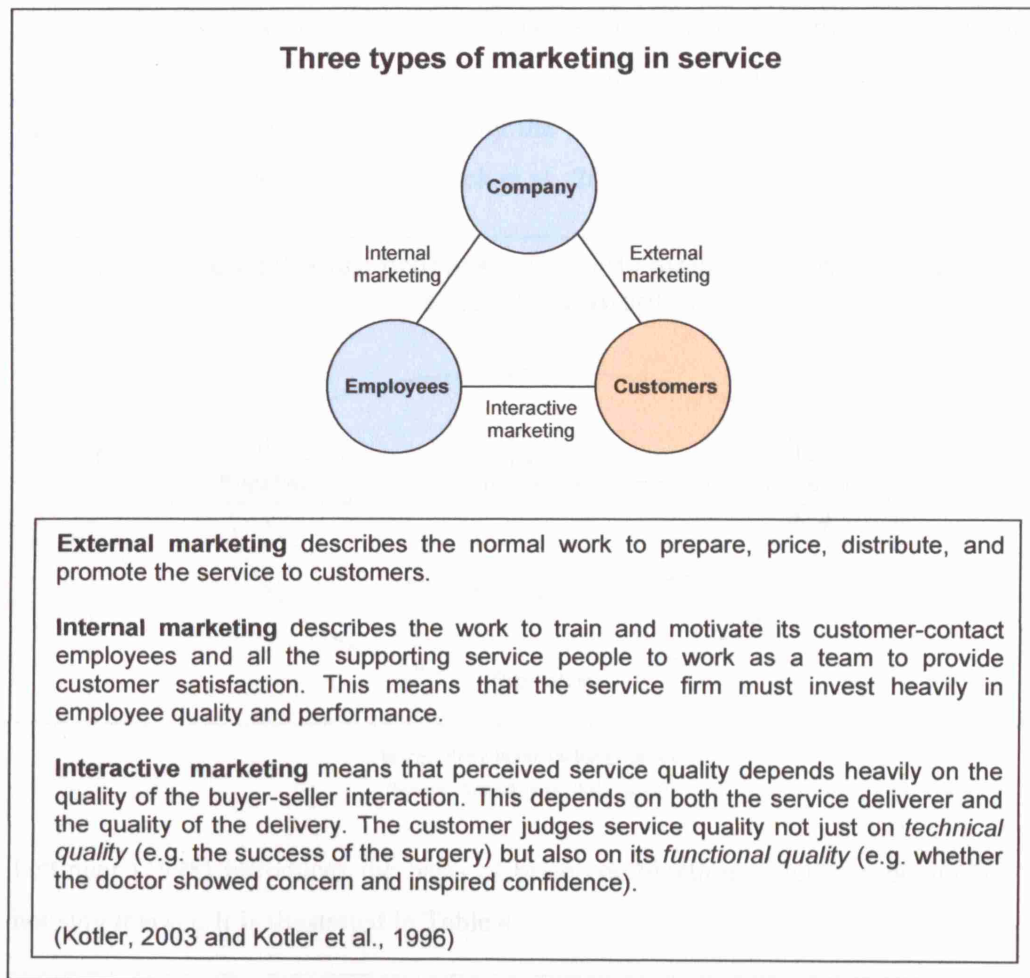


Figure 6 Three types of marketing in service

(Source: Adapted from Kotler, 2003; p.451 and Kotler et al., 1996; p.593)

PRICE

Price is the amount of money charged for a product or service. It is the sum of all the values that consumers exchange for the benefits of having or using the product or service (Kotler et al., 1996). Price is the only element in the marketing mix that produces revenue; all other elements represent costs. Price is also one of the most flexible elements of the marketing mix. Unlike product features and channel commitments, price can be changed quickly. At the same time, pricing and price competition is the number-one problem facing many marketing executives (Kotler et al., 1996).

Figure 7 shows price in the exchange process. It describes that the price is what is paid as part of the exchange process, being passed from customer to supplier either as money or in kind. What is received by the customer is the composite of the other elements of the marketing mix (Adcock et al., 2001).

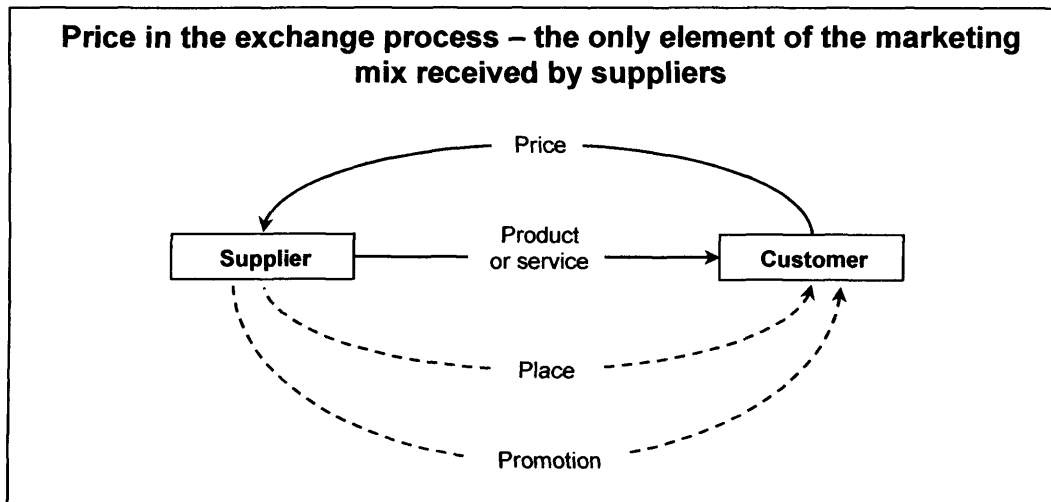


Figure 7 Price in the exchange process

(Source: Adcock et al., 2001; p.270)

Pettinger (1998) introduces the basis of price combination which can be applied to housing market. It is illustrated in Table 4.

The basis of price combination

Pettinger (1998) states that price is based on a combination of:

- what the market expects;
- what the buyer can afford – ability to raise finance as well as own wealth/resources;
- the nature of competition in the market;
- what the developer can afford to work for;
- any specific factors concerning the particular job, e.g. time, quality constraints, location, materials to be used;
- what is being agreed and paid for – whether the completion of a house or facility; or a wider process often supported by maintenance, presales and after-care agreements.

Table 4 The basis of price combination

(Source: Pettinger, 1998; p.75)

Adcock et al. (2001) state that price is of crucial importance in most purchase decision. It is the comparative price, set against direct competition and considered in the light of the affordability of a product to the customer, that is important. From a marketing perspective, customers compare prices and then decide which offering seems to be the best value when measured against the tests of *acceptability* and *affordability*.

The reality of pricing in competitive markets is that it is customers rather than competitors who do the most to influence what is an *affordable* price. The buying decision process involves a great many factors being considered, but crucial to the prospective purchaser are the questions (Adcock et al., 2001):

- Can I afford it?
- Does it offer good value for money?
- How does it compare to other offerings?

According to Adcock et al. (2001), there are many different ways in which a customer might evaluate the benefits and the value derived from a purchase. Benefits can be both psychological and economic, and in all cases it is the *perception* of the customer as to the actual value received that is the key issue. The comparison of total *value* received against actual *price* paid will be part of a customer's evaluation of satisfaction.

There is a considerable body of research on the relationship between price and consumer's perceptions of quality. Consumers use price as an indicator of quality when brands are unfamiliar and when the perceived risk of making unsatisfactory choices is high. They also rely on price as an indicator if there is little information available and judging a product's attributes is difficult (Dibb et al., 1994).

When considering the importance of the price to people in the target market, Dibb et al. (1994) state that the importance of price is not absolute; it can vary from market segment to market segment and from person to person. Members of one market segment may be more sensitive to price than members of a different target.

However, Nagle (1987) has suggested nine factors which influence the sensitivity of customers to prices. They are shown in Table 5.

Nine factors influencing the sensitivity of customers to prices

It has been stated that price sensitivity is reduced when:

- the product is more distinctive
- there is greater perceived quality of products
- consumers are less aware of substitutes in the market
- there is difficulty in making comparisons (e.g. in the quality of services such as consultancy or accountancy)
- the price of a product represents a small proportion of total expenditure of the customer
- the perceived benefit for the customer increases
- the product is used in association with a product bought previously, so that, for example, components and replacements are usually extremely highly priced
- costs are shared with other parties
- the product or service cannot be stored.

(Nagle, 1987; cited in Hollensen, 2003)

Table 5 Nine factors influencing the sensitivity of customers to prices

(Source: Nagle, 1987; cited in Hollensen, 2003; p.497)

Figure 8 shows the price-value cycle: vicious circle and benign circle (Adcock et al., 2001 and Hutchings, 1995).

It might be possible to raise prices to reflect the increase in value if a product is made more attractive (added-value by additional features) and thus it makes that product more valuable to customers. Similarly, a service could be made more readily available and thus more valuable to customer (Adcock et al., 2001).

Dibb et al. (1994) state that if the product is deemed superior to most of the competition, a premium price may be feasible. Strong brand loyalty sometimes makes it possible for the firm to charge a premium price for its product.

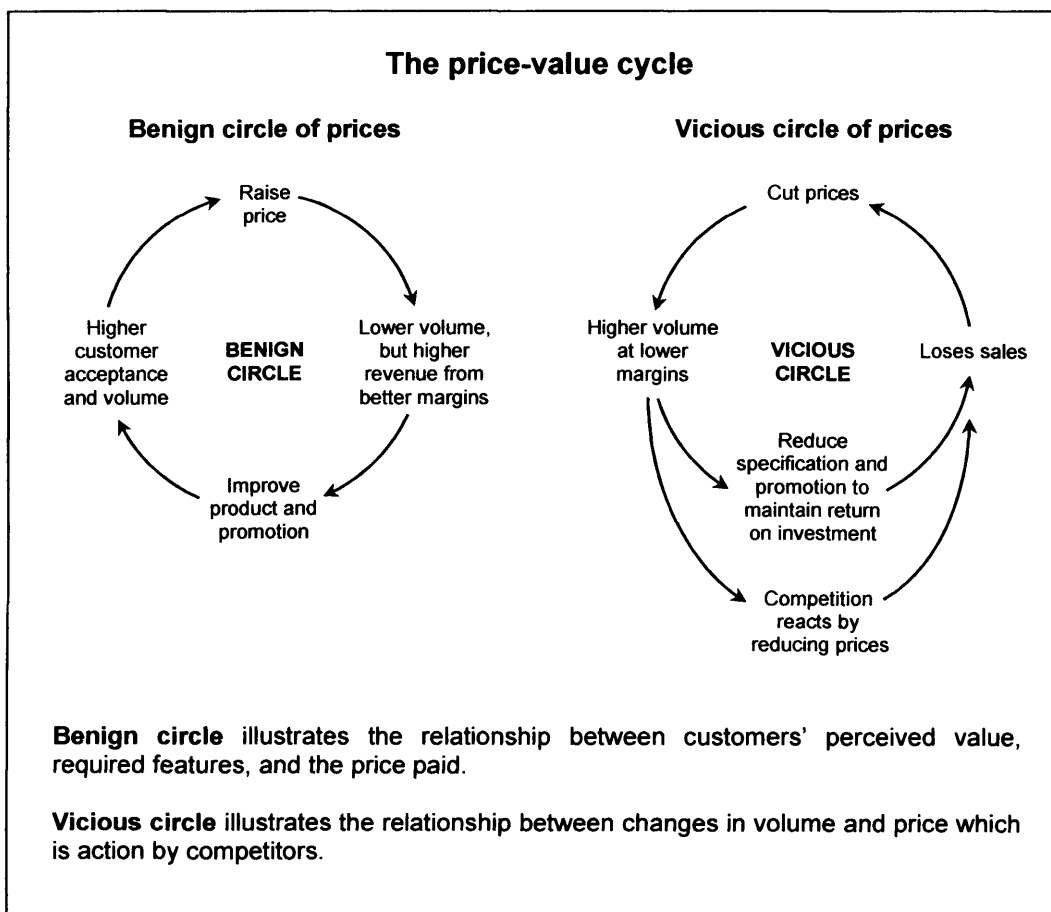


Figure 8 The price-value cycle

(Source: Adcock et al., 2001; p. 256 and 258; and Hutchings, 1995; p.259)

PROMOTION

Promotion is activities that communicate the product or service and its merits to target customers and persuade them to buy (Kotler et al., 1996).

Pettinger (1998) draws the overall purpose of promotion which is

- building, developing and enhancing reputation and confidence;
- presentation of achievements, capabilities and expertise;

and relating the two to the needs and wants of customers and potential customers.

Kotler (2003) defined the five promotion tools called promotion mix. These consist of advertising, sales promotion, public relation and publicity, personal selling and direct and interactive marketing (see Table 6).

Typical communication tools (media)				
One-way communication		Two-way communication		
Advertising	Sales promotion	Public relation and publicity	Personal selling	Direct and interactive marketing
<ul style="list-style-type: none">• Newspapers• Magazines• Journals• Directories• Radio• Television• Cinema• Outdoor	<ul style="list-style-type: none">• Rebates and price discount• Catalogues and brochures• Samples, coupons and gifts• Competitions	<ul style="list-style-type: none">• Annual reports• Corporate image• House magazines• Press relations• Public relations• Events• Lobbying• Sponsorship	<ul style="list-style-type: none">• Sales presentations• Sales force management• Trade fairs and exhibitions	<ul style="list-style-type: none">• Direct mail/ Database marketing• Internet marketing• Telemarketing

Table 6 Typical communication tools (media)

(Source: Hollensen, 2003; p.574)

Advertising:

Advertising refers to any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor (Kotler, 2003). Advertising can be used to build up a long-term image for a product or trigger quick sales. It can efficiently reach geographically dispersed buyers. Kotler (2003) states that just the presence of advertising might have an effect on sales. This means that consumers might believe that a heavily advertised brand must offer “good value”.

Hollensen (2003) states the major advertising objectives and means shown in Table 7.

Major advertising objectives and means
<ul style="list-style-type: none"> • Increasing sales from existing customers by encouraging them to increase the frequency of their purchases; maintaining brand loyalty via a strategy that reminds customers of the key advantages of the product; and stimulating impulse purchases. • Obtaining new customers by increasing consumer awareness of the firm's product and improving the firm's corporate image among a new target customer group.

Table 7 Major advertising objectives and means

(Source: Hollensen, 2003; p.574)

Nevertheless, Kotler et al. (1996) state that advertising also has some shortcomings which are shown in Table 8.

Shortcomings of advertising

- Although it reaches many people quickly, advertising is impersonal and cannot be as persuasive as a company salesperson.
- Advertising is only able to carry on a one-way communication with the audience, and the audience does not feel that it has to pay attention or respond.
- In addition, advertising can be very costly. Although some advertising forms, such as newspaper and radio advertising, can be done on small budgets, other forms, such as network TV advertising, require very large budgets.

Table 8 Shortcomings of advertising

(Source: Kotler et al., 1996; p.701 and 702)

Sales promotion:

Sales promotion is a variety of short-term incentives to encourage trial, purchase or sale of a product or service (Kotler et al., 1996).

Kotler (2003) states that sales promotion tools offer three distinctive benefits. These are shown in Table 9.

Three distinctive benefits of sales promotion tools

Communication: They gain attention and may lead the consumer to the product.

Incentive: They incorporate some concession, inducement, or contribution that gives value to the consumer.

Invitation: They include a distinct invitation to engage in the transaction now.

Table 9 Three distinctive benefits of sales promotion tools

(Source: Kotler, 2003; p.580)

Sales-promotion tools are used to draw a stronger and quicker buyer response. They can be used for short-run effects such as to dramatize product offers. Sales-promotion effects are usually short-lived, however, and are not effective in building long-run brand preference (Kotler, 2003 and Kotler et al., 1996).

Public relation and publicity:

Public relations or PR refers to building good relations with the company's various publics by obtaining favourable publicity, building up a good 'corporate image', and handling or heading off unfavourable rumours, stories and events (Kotler et al. 1996). It is all those activities that the organization does to communicate with target audiences and which are not directly paid for.

Adcock et al. (2001) draw the advantages and disadvantages of publicity as follows (see Table 10);

The relative advantages and disadvantages of publicity	
Advantages	Disadvantages
Greater credibility Greater readership More information content Cost benefits Speed and flexibility Great potential impact	Uncertainty of media take-up Message distortion No repetition No timing control
Advantages Credibility: If the public are made aware of the benefits to be gained from a company's products from an independent source, and that source is not being paid by the company in question, then the credibility factor is that much greater. Greater readership: When glancing through a newspaper, much more attention is given to editorial or news sections than primarily paid to advertisement. <div style="text-align: right;">(to be continued)</div>	

Table 10 The relative advantages and disadvantages of publicity

(Source: Adhock et al., 2001; p.328)

(continue)

Contain more information: Publicity is able to impart more information to the public than advertisements can. Publicity, when presented as news, is given more attention and is therefore able to contain much more detailed information.

Cost benefits: No direct payments are made to the media for publicity. There are obviously costs involved, but PR budgets are far less than those for advertising.

Speed: Publicity has an advantage of speed. Information on a major development can often be issued and reported in a short space of time. Publicity can also be flexible and reactive.

Disadvantages

Message distortion: A company has no control over what the media report about them. A press release, which a company hopes is reported in full, may in fact not be used at all, or may have only a small portion of it reported. If the publicity given is untrue or libelous, of course, the organization will have recourse through the judicial system, but such action is expensive, and creates a difficult situation for the future.

Repetition: With advertisements a company can ensure that there is frequency of the message. Publicity does not have this advantage and the message may only be given once, if at all.

Table 10 The relative advantages and disadvantages of publicity

(Source: Adhock et al., 2001; p.328)

Personal selling:

Personal selling is face-to-face interaction with one or more prospective purchasers for the purpose of making presentations, answering questions, and procuring orders (Kotler et al., 1996).

Kotler (2003) states three distinctive qualities of personal selling which are shown in Table 11.

Three distinctive qualities of personal selling

Personal confrontation: Personal selling involves an immediate and interactive relationship between two or more persons. Each party is able to observe the other's need and characteristics and make quick adjustments.

Cultivation: Personal selling permits all kinds of relationships to spring up, ranging from a matter-of-fact selling relationship to a deep personal friendship. The effective sales person keeps the customer's interests at heart in order to build a long-term relationship.

Response: Personal selling makes the buyer feel under some obligation for having listened to the sales talk.

Table 11 Three distinctive qualities of personal selling

(Source: Kotler, 2003; p.580)

Direct and interactive marketing:

Direct and interactive marketing refers to the use of mail, telephone, fax, e-mail, or internet to communicate directly with or solicit response or dialogue from specific customers and prospects (Kotler et al., 1996).

Rapps and Collins (1987), cited in Adcock et al. (2001) discuss about direct marketing used the term 'maxi-marketing'. It is stated that Maxi-marketing is the requirement of marketing to achieve:

- maximum efficient reach to target customers
- maximum chance of marketing sales
- maximum opportunity to develop relationships.

There are four distinctive characteristics of direct marketing defined by Kotler (2003). These are shown in Table 12.

Four distinctive characteristics of direct marketing

Nonpublic: The message is normally addressed to a specific person.

Customized: The message can be prepared to appeal to the addressed individual.

Up-to-date: A message can be prepared very quickly.

Interactive: The message can be changed depending on the person's response.

Table 12 Four distinctive characteristics of direct marketing

(Source: Kotler, 2003; p.580)

PLACE

Place refers to channels of distribution (McCarthy, cited in Randall 1994, p.80). Elements of distribution are, for example, choice of channels.

Place represents the meeting point between the buyers and sellers of goods and services (Pettinger, 1998). For construction goods, therefore, place is a clear concept involving choosing preferred outlets and means of distribution to those outlets from a universally familiar range – shops, mail order, warehouses, catalogues; increasingly the use of journals, TV, radio and computer-based facilities.

Hollensen (2003) states that a distribution channel consists of at least a producer and a customer. Most channels, however, use one or more intermediaries to help move products to the customer.

Adcock et al. (2001) introduce distribution channels consisting of direct and indirect marketing channel as the choice of channel structure (see Figure 9).

Direct-marketing channel consists of a manufacturer selling directly to the final customer. The major examples are door-to-door sales, home parties, mail order, telemarketing, TV selling, internet selling, and manufacturer-owned stores (Kotler, 2003).

In Thai housing market, a direct-marketing channel is seen through the use of an on-site and off-site sales office with developer company's sales persons.

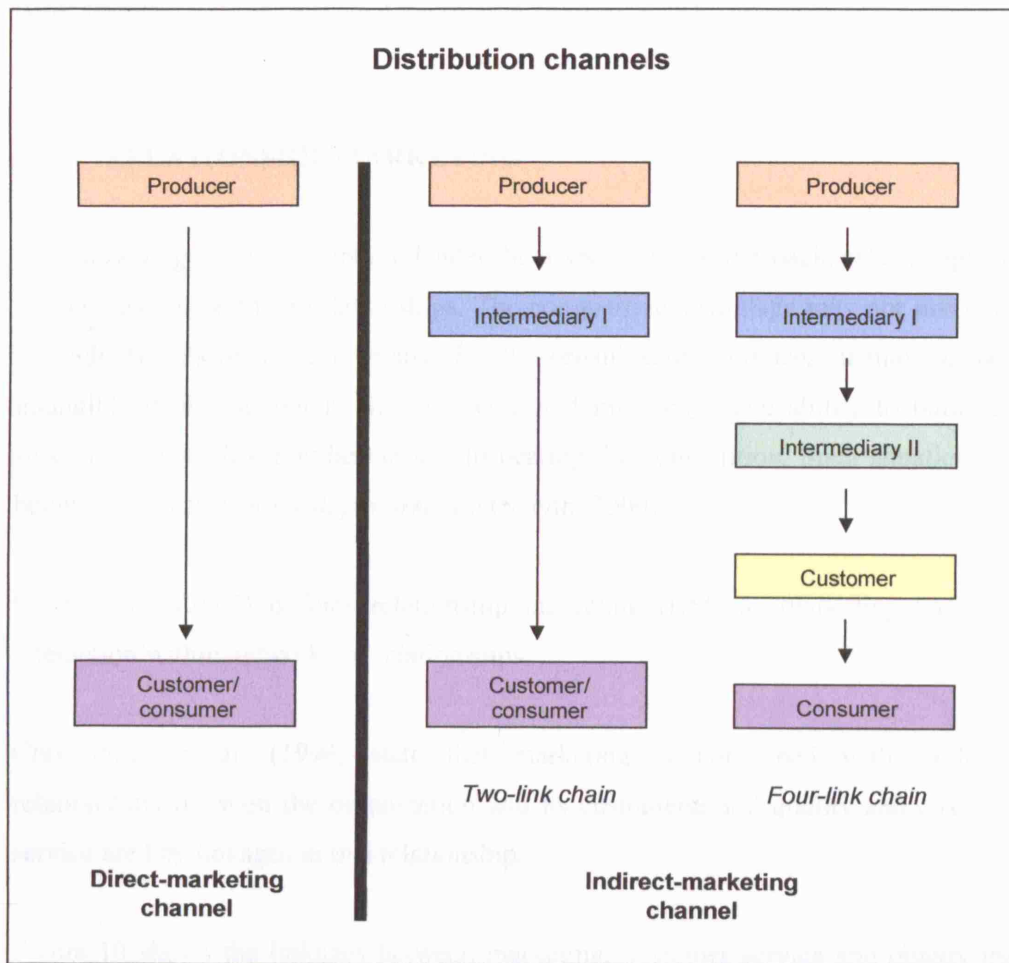


Figure 9 The distribution channels

(Source: Adapted from Adcock et al., 2001; p.231 and Kotler, 2003; p.508)

Indirect-marketing contains one or more intermediaries, who are independently owned organizations that act as links to move products between producers and the end user. The primary categories are agents and brokers, wholesalers and distributors, and retailers (Hollensen, 2003 and Hutchings, 1995).

Familiar examples of intermediary in housing market are estate agents, who negotiate the sale of property for their customers; and selling agents, who perform the whole range of marketing activities in addition to the selling function, leaving the manufacturer to concentrate on production (Hollensen, 2003 and Hutchings, 1995).

Pettinger (1998) states that the basic premise of choosing preferred outlets and the means of distribution to those outlets includes two key features – access and convenience.

2.2 RELATIONSHIP MARKETING

The *marketing mix* is one option. Under the marketing mix approach, sales people are to some extent building relationships. The competitive advantage may not just come through the 4Ps or however many ‘Ps’ the organisation embraces. It may be more intangible than that, but no less strategic and important. The ability to build and sustain relationships may be the key to beating the competition. Such situations are beginning to use *relationship marketing* (Smyth, 2000).

Gummesson (2003) defines relationship marketing (RM) as marketing based on interaction within networks of relationships.

Christopher et al. (1994) state that marketing is concerned with exchange relationships between the organization and its customers; and quality and customer service are key linkages in this relationship.

Figure 10 shows the linkages between marketing, customer service and quality that must be exploited to achieve total customer satisfaction and long-term relationship (Christopher et al., 1994).

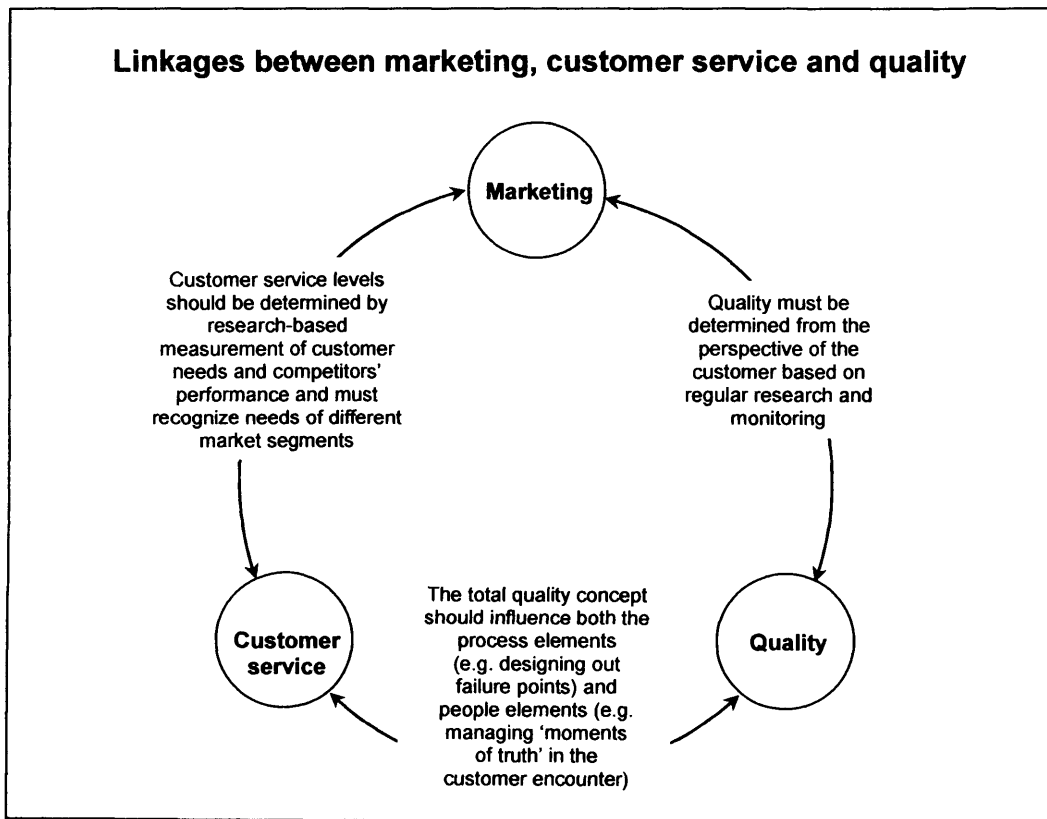


Figure 10 Linkages between marketing, customer service and quality

(Source: Christopher et al., 1991; p.3)

The challenge to the organization is to bring these three critical areas into closer alignment. Figure 11 shows the relationship marketing as the new focal point integrating customer service and quality with a market orientation. Relationship marketing has as its concern the dual focus of *getting* and *keeping* customers (Christopher et al., 1994).

According to Christopher et al. (1994), the framework of marketing in relationship marketing can be considered as consisting of:

- The marketing mix: the important elements or ingredients that make up a marketing programme (The marketing mix has already been reviewed in the previous section (section 2.2)).
- Market forces: the opportunities and threats which bear on the marketing operation of and organisation.
- A matching process: the strategic and managerial process of ensuring that the marketing mix and internal policies are appropriate to the market forces.



Figure 11 The relationship marketing orientation: bringing together customer service, quality and marketing
 (Source: Christopher, Payne and Ballantyne, 1991; p.4)

La Londe and Zinszer, cited in Christopher et al. (1994) found a range of views existed as to the definition of customer service. This is shown in Table 13 below.

- All the activities required to accept, process, deliver and build customer orders and to follow up on any activity that erred.
- Timeliness and reliability of getting materials to customers in accordance with a customer's expectation.
- A complex of activities involving all areas of the business which combine to deliver and invoice the company's products in a fashion that is perceived as satisfactory by the customer and which advances the company's objectives.
- Total order entry, all communications with customers, all shipping, all freight, all invoicing and total control of repair of products.
- Timely and accurate delivery of products ordered by customers with accurate follow up and enquiry response including timely delivery of invoice.

Table 13 The role of customer service
 (Source: Christopher et al., 1994; p.5)

Nevertheless, Christopher et al. (1994) state that customer service is broader than any of these definitions and that it is concerned with the building of bonds with customers and other markets or groups to ensure long-term relationships of mutual advantage. Customer service can be seen as a process which provides time and place utilities for the customer and which involves pre-transaction, transaction and post-transaction considerations relating to the exchange process with the customer.

Anderson and Kerr (2002) introduce customer service model consisting of three service levels (see Figure 12). It shows the relationship marketing ladder of customer loyalty and illustrates the objective of relationship marketing which is to turn new customers into regularly purchasing clients, and then to progressively move them through being strong supporters of the company and its product, and finally to being active and vocal advocates for the company thus playing an important role as a referral source (Christopher et al., 1994).

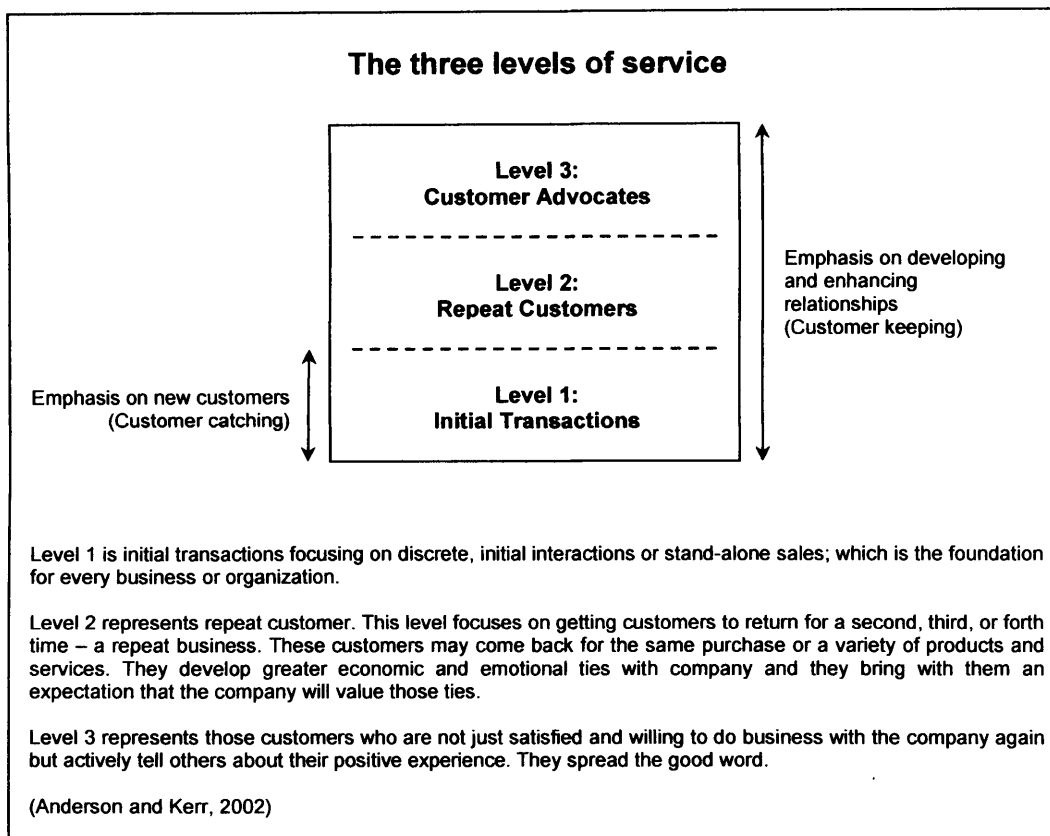


Figure 12 The three service levels

(Source: Adapted from Anderson and Kerr, 2002; p.20 and Christopher et al., 1994; p.22)

‘... quality, from a relationship marketing perspective, must be perceived from the viewpoint of the customer’ (Christopher et al., 1994).

This point is also emphasized by Gronroos (2001) stating that ‘Quality is what customers perceive’.

Gronroos (2001) introduces a model of total perceived quality (see Figure 13). It shows how quality experiences are connected to traditional marketing activities resulting in *total perceived quality*. Good perceived quality is obtained when the *experienced quality* meets the expectations of the customer; that is, the *expected quality*. *Technical quality* refers to what customers receive in their interactions with firm and *functional quality* refers to how the customer receives it. *Company and/or local image* is important as it can affect the perception of quality in various ways. If the provider has a favorable image, minor mistakes will probably be forgiven. If mistakes often occur, the image will be damaged. If the image is negative, the impact of any mistake will often be considerably greater than it otherwise would be (Gronroos, 2001).

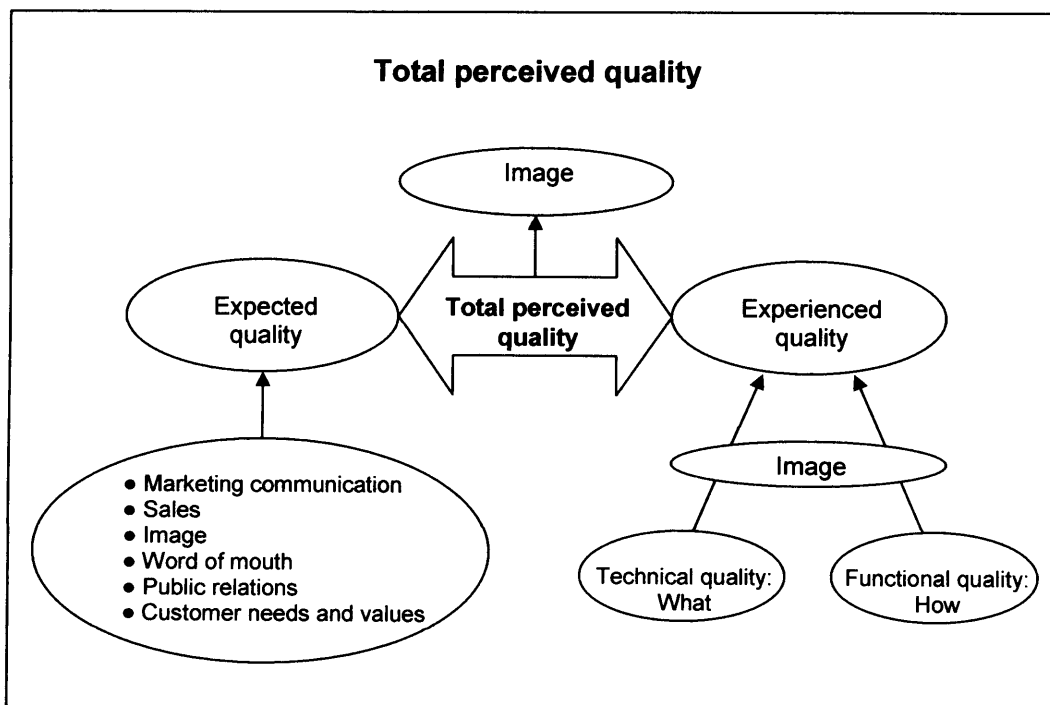


Figure 13 The total perceived quality

(Source: Gronroos, 2001, p.67)

Gummesson developed 4Q Model of Offering Quality illustrated in Figure 14 combining concepts from the total perceived quality and goods-oriented quality notions (Gummesson; cited in Gronroos, 2001).

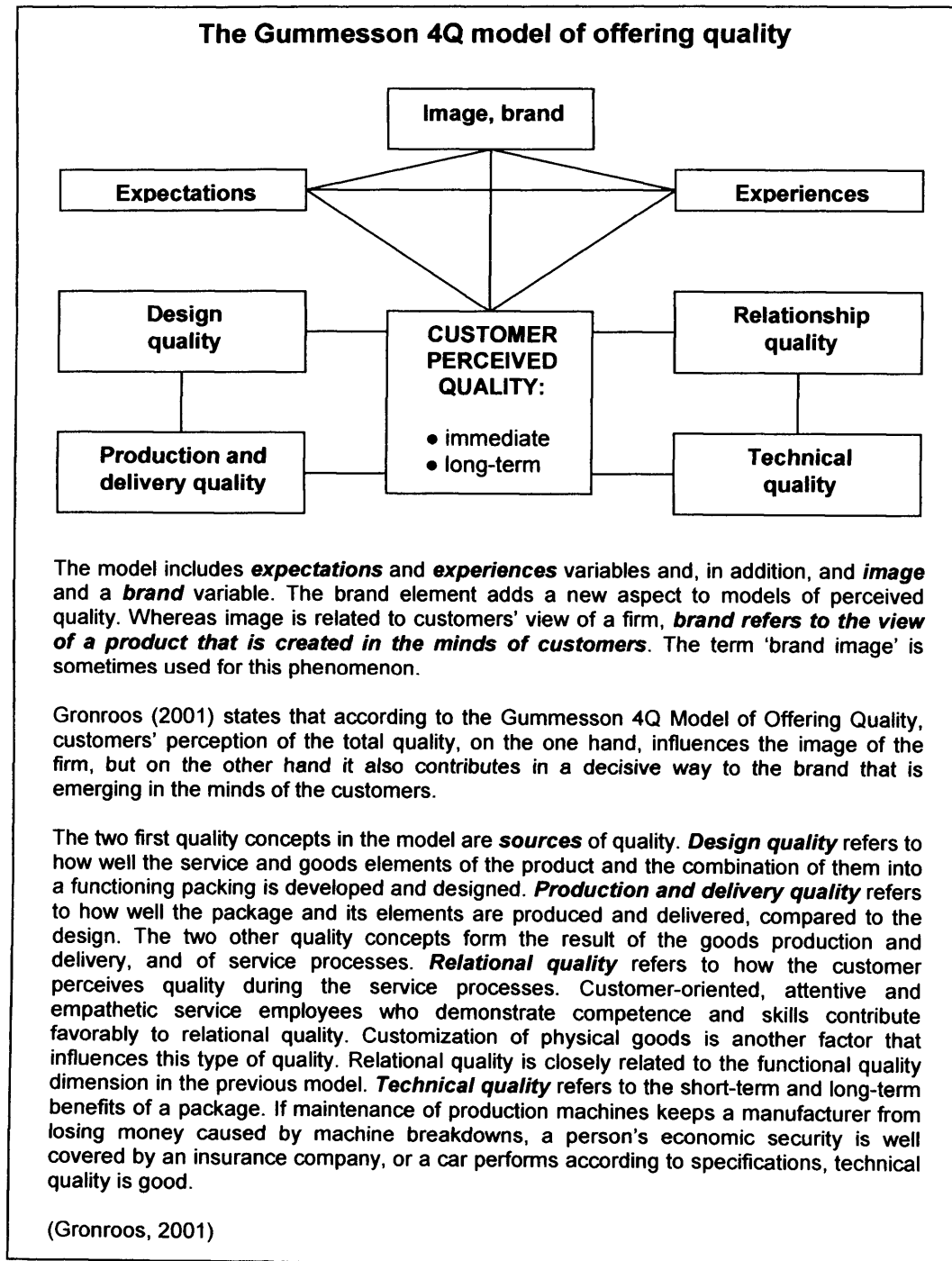


Figure 14 The Gummesson 4Q model of offering quality

(Source: Gummesson, E., Quality Management in Service Organizations. New York: ISQA, 1993; p.229; further revised by Gummesson, 2000; cited in Gronroos, 2001; p.71)

CHAPTER 3 RESEARCH METHODOLOGY

The basis of the research is literature reviews including marketing literatures, prior and recent researches and surveys. The main data of investigation were obtained from two sources which are interview and questionnaire survey. Other supporting data are from site visit and a house exhibition.

LITERATURE REVIEW

Literature reviews include articles, journals, text books, local newspapers, recent researches and surveys.

INTERVIEW

The researcher arranged appointments to meet and interview a marketer of each housing development company chosen as a sample. Since the research investigates the high-end segment of Thai private housing market, the samples consist of 4 development companies undertaking a high-end housing development project located in Bangkok or a fringe area of Bangkok. Another reason for selecting these 4 developers is personal contact allowing the researcher to access to their customers for questionnaire survey.

The marketing persons were interviewed with the following outlines:

- company's profile;
- target group of customer of the housing project undertaken by the company;
- company's products in term of goods elements offered to the customers of the housing project;
- company's products in term of service prepared to the customers of the housing project;
- price of houses offered to the customers of the housing project;

- the point of sale of the housing project;
- sales promotions offered to the customers of the housing project;
- project's advertising;
- reputation and image of the company;

and

- experience and expertise in housing business of the company.

The scripts of the interviews with 4 development companies called company A, B, C and D are shown in appendix A, B, C and D; respectively.

QUESTIONNAIRE SURVEY

Questionnaires were distributed to customers of all companies interviewed. For company A, B and C, the developers' customers were randomly selected, called by the development companies and asked for a permission to allow the researcher to mail them a questionnaire. The customers were asked to complete the questionnaire and mail it back to the companies and it was collected by the researcher afterwards. For company D, the questionnaires were released to some customers by a direct door-to-door approach whereas some customers completed the questionnaire at company's sales office. These approaches were chosen because during the survey period, the company was transferring houses to their customers and the company visited the customers or the customers came to the sales office for the matter of documenting. Therefore, at the same time they were asked to complete the questionnaire. 30 sets of questionnaire were distributed to the customers of company A, B and C each; whereas 25 sets of questionnaire were distributed to the customers of company D.

The questionnaire form is shown in appendix E. It contains 8 sections of questions including:

- customer profile;
- customer's satisfaction of product in term of goods elements offered by the housing development company;

- customer's satisfaction of product in term of service prepared by the housing development company;
- customer's perception of price offered by the housing development company;
- customer's perception of the location of sales office;
- customer's satisfaction of the sales promotion offered by the housing development company;
- advertising medium;
- influence of company's reputation and image and experience and expertise in housing business and award received by the company on customers' buying decision; and overall customer's satisfaction of product and service offered by the housing development company.

Response rate: response rates from the customers of developer A, B, C and D are 47%, 40%, 53% and 72%, respectively; while the overall response rate is 56%.

The result of questionnaire survey in table form is shown in appendix F while the results in chart form are included in Chapter 5 – Investigating and analyzing Thai private housing market.

HOUSE EXHIBITION

During the survey period, there was a house exhibition arranged in Bangkok. The researcher has been a participant in the exhibition and conducted an investigation. The fact seen is that approximately 30 housing development companies participated in the exhibition. This number is considered very small compared to the number of housing developers in Bangkok. Moreover, among these 30 companies, none are developers who are undertaking a high-end housing project located in Bangkok. All projects demonstrated in the exhibition are low to medium-end housing projects located in Bangkok.

SITE VISIT

The researcher visited the housing development project of the sample companies in order to investigate their products and services offered to customers. The investigation focused on house samples, facilities provided inside the project e.g. a clubhouse, the security system prepared for the project, the service of sales person and the promotion and payment terms offered to customers.

CHAPTER 4 INVESTIGATING AND ANALYZING THAI PRIVATE HOUSING MARKET

4.1 THE 4Ps MARKETING MIX IN THAI PRIVATE HOUSING MARKET

PRODUCT (Goods Elements)

Questionnaire response shows customer's satisfaction on a product³ offered by housing company which can be seen in Figure 15.

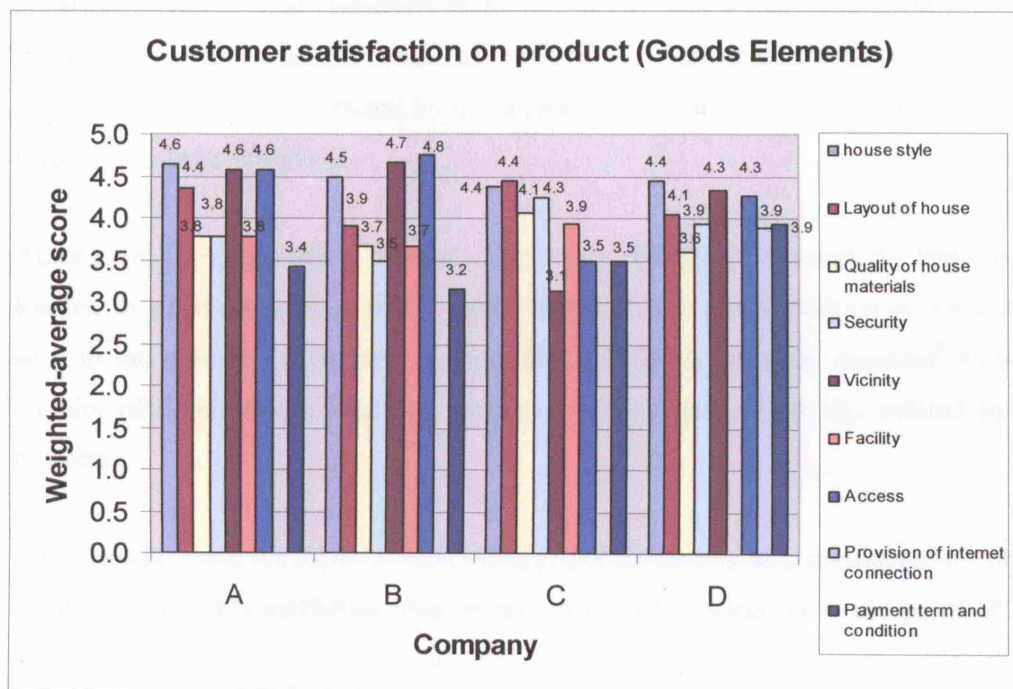


Figure 15 Customer's satisfaction on product (Goods elements)

³ The question of a product in term of goods elements was divided into 9 items based on features offered by the house product.

Vicinity of development area and access to various parts of the city

Vicinity of development area and access to various parts of the city reflects the location of project, which is considered the most important⁴ feature of the speculative housing product.

The research confirms that the location of housing project is differentiated in the high-end segment of the Thai housing market where the differentiation is noticeably obvious between the housing project located in central Bangkok and that located in the fringe area of Bangkok. From the investigation, the housing project of 3 sample companies⁵ out of 4 are located in the hub of Bangkok whereas that of another sample company⁶ is located in a fringe area of Bangkok where there is accessible road networks. It is seen that customers of the housing project located in the fringe area of Bangkok are less satisfied⁷ with the vicinity of development area and access to various parts of the city offered by the project compared to customers of the projects located in central Bangkok.

Among the housing projects located in the hub of Bangkok, although the projects are located in different areas within central Bangkok, the differentiation is not clearly seen in the market and the result shows that customers are quite satisfied⁸ with the vicinity of development area and access to various part of the city offered by the projects.

For house product, the location of housing project is usually also considered in 'place' element of the 4Ps marketing mix in the sense that production is the point of sale

⁴ This importance is seen from Figure 15 where the two highest score were rated by customers (see company B) to their satisfaction on vicinity and access of housing project.

⁵ Company A, B and D

⁶ Company C

⁷ Whereas customers of the 3 companies (company A, B and D) whose housing project is located in Bangkok rated their satisfaction on vicinity of the development area at between 4.3 and 4.7, customers of the company (company C) whose housing project is located in the fringe area of Bangkok rated their satisfaction of this feature offered by the housing project at 3.1. For customer's satisfaction on the access to various parts of the city offered by housing project, the 3 companies (company A, B and D) whose housing project is located in central Bangkok was rated at between 4.3 and 4.8 while the company (company C) whose housing project is located in the fringe of Bangkok was rated at 3.5.

⁸ Company A, B and D was rated at 4.6, 4.7 and 4.3 by their customers; respectively for the vicinity of the development project; and 4.6, 4.8 and 4.3; respectively for the access to various part of the city offered by the project.

concerning about show homes, sales offices and use of agents; which is seen peculiar in housing (This will be discussed more on “*PLACE*” as a delivery channel in a following section).

House style

House style is also considered an important⁹ feature of house product in the Thai housing market. Housing companies themselves use house style as an important tool to attract their target group of customer to the companies as the research found that the companies read the taste of their target group of customer and developed house styles to match with their preference and lifestyle. It is found that this tool works efficiently as the result from the questionnaire survey shows that customers of all companies are satisfied¹⁰ with the house styles offered by the housing development companies. However, the score gap is very small. This indicates that although the house styles offered in the market are differentiated by their appearance, they satisfy customers at quite similar degrees. No company is seen having a competitive advantage in the market in term of offering a more attractive house style. Moreover, it might be the case that differences between the house developer’s products are not that great, so highly differentiated products are not on offer in the market. It is also possible that the level of satisfaction is an outcome of a lack of awareness of other product possibilities or housebuyers are relatively conservative when considering housing as an investment and developers are responding to that demand.

Layout of house

A layout of house is usually offered differently from one house design to other. The investigation found that some housing companies¹¹ in the market were rated lower¹²

⁹ The importance is seen from Figure 15 where the scores rated by customers for their satisfaction on house style are higher than those on the other features of product mix offered by house product except the vicinity and access.

¹⁰ The weighted-average score of customer’s satisfaction on house style rated by customers of all companies are between 4.4 and 4.6; where 4 means that customers are quite satisfied with the product, and 5 represents that customers are very satisfied with the product (see Figure 15).

¹¹ Company B and D

¹² Company B and D were rated at 3.9 and 4.1, respectively; whereas both company A and C were rated at 4.4 for customer’s satisfaction on the layout of house.

than others¹³ for customer's satisfaction on the layout of house (see Figure 15). If housing companies arrange provision of changing house features to customers, the problem can be improved. However, it is found that the company¹⁴ which was rated the lowest¹⁵ does not provide this service (The provision of changing house feature is concerned in service elements of product which will be discussed later on "*Product (Service Elements)*").

Quality of house materials and security of house and surrounding development area

The research found that whereas half of the sample companies¹⁶ focuses on offering high quality of house materials and the security of house and surrounding development area, only one company¹⁷ is perceived by their customers on this offer (see Figure 15). There is the data¹⁸ showing that this company is the only company among sample companies which has a qualities concept¹⁹ focusing on quality of house materials and the security of house and surrounding development area; and this company's concept is presented by the company as a brand quality to public. It is seen

¹³ Company A and C

¹⁴ Company B

¹⁵ Company B was rated at 3.9 for layout of house whereas company A, C and D was rated at 4.4, 4.4 and 4.1; respectively for this feature.

¹⁶ Company B and C focus on offering high quality of house materials. Company C and D focus on offering high quality of the security of house and surrounding development.

¹⁷ Company C

¹⁸ Data received from the interview

¹⁹ 5 qualities concept of company C consists of home design, construction, community, security and reliable service. This concept is applied to all projects of the company. **Home design** means that construction of all houses is completed before the houses are sold to ensure customer's satisfaction. **Construction** refers to the comfort and convenience customers receive when they move into their new house. Everything they need is installed. The company provides heat protecting system at the roof of the house and concerns about safety in the house by providing a back-up generator to prevent possible accidents during black-outs, an automatic power cut system to guard against power surges, safety-type doorknobs in all bathrooms for the safety of children and the elderly and non-slip ceramic tiles in all bathrooms. For preventing future problems, spraying for termites is used with underground pipes and on beam/pile construction is used to protect the garage's structural integrity. **Community** refers to the warm society among the residents of the project. Therefore, the company provides facilities, such as a swimming pool, tennis courts, and public parks to serve the community. Besides this, the company usually sets up an event every month inviting all residents to meet and join activities. **Security** means that all houses are equipped to guarantee customers' safety and win their trust. The project uses the Integrated Security system including 3-metre high gate surrounding the project, double security at the project main entrance, CCTV located at every road in the project, Intercom connected between each house and guard house and security system inside each house. Finally, **reliable service** means that company's after-sales service department is another part of the effort to ensure that all our customers continue to enjoy the highest quality of life for as long as they live in any of our projects.

that making product features into a brand feature has worked well for this company which can be a specific lesson for other companies to copy. Also, housing companies might differentiate their product more and turn it into successful brand features.

Facility provided within the development project and provision of high speed internet connection

The research found that most of housing companies provide facility within the development project and the facilities provided are not much different from each other, for example, a swimming pool, sauna, steam room, gym and fitness room. The result in Figure 15 shows that one company²⁰ does not provide any facilities within the project, however, there is a sports club located next to the housing project offering similar facilities as those offered by the other housing projects.

For the provision of high speed internet connection, only one company²¹ provides high speed internet connection in very house unit and their customers are satisfied²² with this feature of the product (see Figure 15). This feature may be the start of an important trend for developers to follow, and it may also be evidence of successful product differentiation.

Payment terms and condition

For the Thai housing market, the payment terms and condition for a house is affected by regulation set by Bank of Thailand (BOI). Every bank in Thailand is influenced to follow the regulation. For a house priced 10 million Thai Baht and above, the minimum down payment is fixed at 30% of house price as the regulation. Therefore only monthly payment can be different depending on the condition of house loan offered from banks. However, in most cases the interest of house loan is offered by banks at 5.75% for 10 to 25 years payment duration; and the research found that this figure is applied to the payment terms and condition offered by all companies.

²⁰ Company D

²¹ Company D

²² Company D was rated at 3.9 for the provision of internet connection (see Figure 15).

However, a differentiation is seen in a company²³ where they have better option of payment terms and condition provided to customers. The company is offered a low house loan interest rate (at 3.5%) by a bank which they have connection with. This deal is for the company to offer to only the customers of the company's housing project which the bank finances. Therefore, the company is able to offer their customers a lower rate of house loan interest which is considered as a company's competitive advantage. As a consequence, their customers are more satisfied²⁴ with this product feature offered by the company whereas customers of other companies are neutral with the offer they got from the companies (see Figure 15). The research also found that the sales of the company offering the lower interest rate proceeds very fast²⁵.

It has been seen that payment terms and condition is hardly a decision done by housing companies selling high-end product themselves. It is an uncontrollable market influence which the companies have to apply it to their business. When comparing the down payment of a house priced 10 million Baht above with one priced below 10 million Baht; the better offer can be arranged to the product under 10 million Baht, for example, 10% or 20% down payment. Therefore, customers are more flexible to choose the condition that fit them.

PRODUCT (Service Elements)

In the questionnaire, the question regarding product in term of service elements was subdivided into 3 parts which are an indication of flexible choices of external and internal features of house by the buyers, a provision of mortgage assistance or other financial service; and an indication of assistance for moving home. However, all sample companies do not offer service in the last part and therefore no analysis of this part will be done and shown (Researcher could not get access to the developer company who offers service of assistance for moving home).

²³ Company D

²⁴ Customers of this company (company D) rated their satisfaction on payment term and condition at 3.9 whereas the other companies were rated between 3.2 and 3.5 by their customers.

²⁵ See appendix D.

Indication of flexible choices of external and internal features of house by the buyers

The research found that only half of the sample companies²⁶ provides customers a service to change external and internal design or layout (see Figure 16). This service provision is importantly relevant to the layout of house offered by housing company. As discussed in “*Product (Goods Elements)*” concerning the layout of house, this service can improve the problem of unsatisfied customers on the house layout offered by company. This can be seen in the case of company D which was rated quite low²⁷ by their customers regarding their satisfaction on house layout. However, due to the service provision of changing house features offered by the company, customers is decided to a buy house but considered this provision as one of the reasons of their buying decision. The result of the effect is shown in Figure 16.

Nevertheless, the provision of changing house features does not much affect the housing company whose customers are already satisfied with house layout. This case can be seen in company A²⁸ (see Figure 15 and 16).

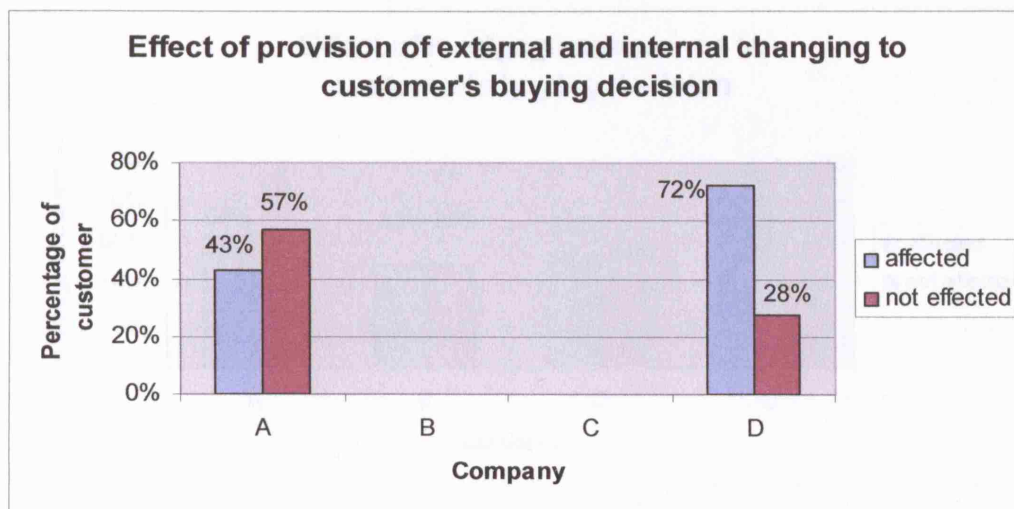


Figure 16 Effect of provision of external and internal changing to customer's buying decision

²⁶ Company A and D

²⁷ Company D was rated at 3.9 for customer's satisfaction on layout of house whereas company A, B and C were rated at 4.4, 3.9 and 4.4; respectively (see Figure 15).

²⁸ 43% of customers of company C considered the provision of changing external and internal features when deciding to buy a house (the figure is less compared to 72% of customers of company D)

Provision of mortgage assistance or other financial service

Provision of mortgage assistance or other financial service is considered an accompanying service of house product. The research found that all companies have a provision of mortgage assistance or other financial service. Usually, they are coordinators between customers and banks. The banks will be the one who approve customers' credit and grant a loan to them. However, the service is very important²⁹ for a housing company. The distinguished case is seen in company D where there is highest percentage of customers who concerned about this service provision when deciding to buy a house (see Figure 17). This can be seen as a result of the low rate of house loan interest offered by the company to their customers. From figure 17, although no significance is shown in company C, the company provides service different from the others that is apart from coordinating between customers who need a house loan and banks, the company provides a service for customers by allocating bank officers to station at the on-site sales office every weekend for giving service or advice on house loan or other financial service. And in the near future, the company will have their own bank for house loan to serve their customers.

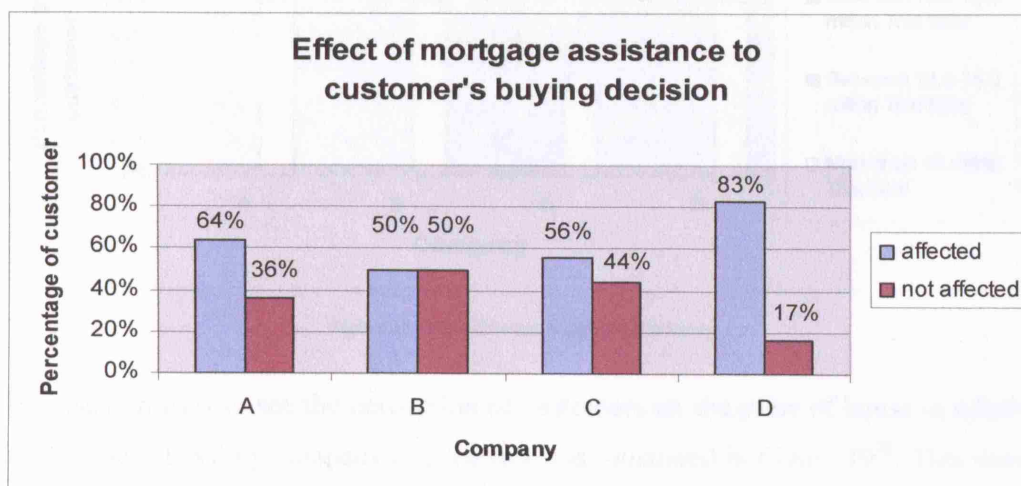


Figure 17 Effect of mortgage assistance to customer's buying decision

²⁹ The importance is seen from the fact that although the customers' satisfaction on payment terms and condition offered in the market is not considered significant (this was discussed in "*PRODUCT (Goods Elements)*" concerning payment term and condition), Figure 17 shows that more than half of all companies' customers considered the provision of mortgage assistance or other financial service as one of the reasons of their decision to buy a house.

PRICE

Within the high-end segment of the Thai housing market, there is differentiation of price and it is obvious between the house project located in Bangkok and that located in the fringe area of Bangkok. House price is also different from house to house. The house price is set differently by considering features offered by a house, for example, its project location, its plot location within housing project, its size, number of bedrooms it offers, its quality, house builder's reputation and house developer's reputation.

However, all housing projects investigated offer a minimum 3-bedroom house. The result shows that the project of the three companies³⁰ located in the hub of Bangkok offers house price starting from 15 million whereas that of another company³¹ located in the fringe area of Bangkok offers house price starting from 10 million (see Figure 18).

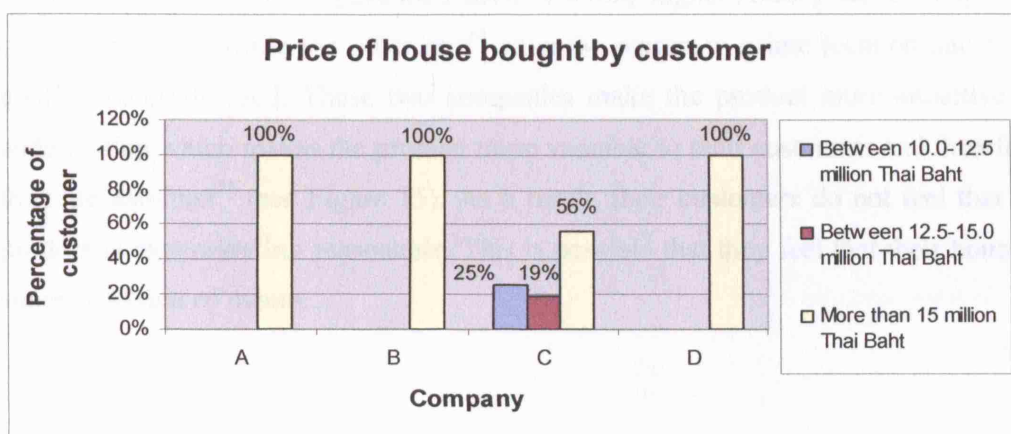


Figure 18 Price of house bought by customer

The research tries to see the perception of customers on the price of house in relation to its value offered by company and the result is illustrated in Figure 19³². This shows that the importance of price is not absolute and it varies from person to person even within the same market segment.

³⁰ Company A, B and D

³¹ Company C

³² More than half of customers of 2 companies (company A and D) perceived that the house price offered is quite expensive, whereas more than half of customers of the other 2 companies (company B and C) perceived that the price of house is reasonable. It also shows that the minority of customers of 2 companies (14% of customers of company A and 6% of customers of company C) perceived that the price of house offered is expensive.

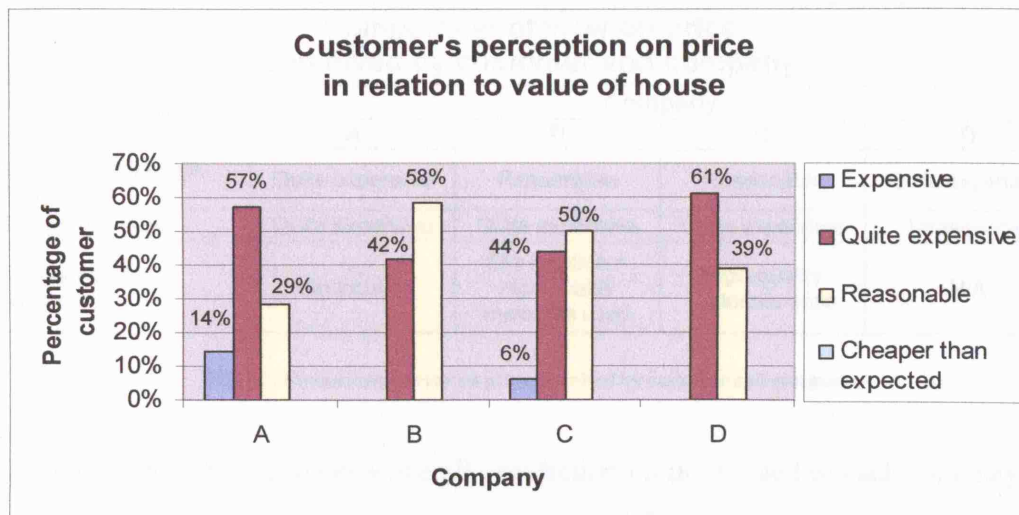


Figure 19 Customer's perception to price in relation to value of house

There is comparison between the view of companies and that of customers on the house price in relation to value offered by companies. This is shown in Table 14. One of the sample companies³³ gave the reason of setting higher house price to using high-quality materials while the other one³⁴ gave the reason to prime location and high-quality materials used. These two companies make the product more attractive by added-value which makes the product more valuable to their customers and therefore, they are satisfied³⁵ (see Figure 15). As a result, their customers do not feel that the product is expensive but reasonable. This is possible that they feel that their house is superior to that of others.

³³ Company C

³⁴ Company B

³⁵ Figure 15 shows that the degree of satisfaction on quality of house materials of company C's customers is at 4.1 whereas that of the other companies' customers is between 3.6 and 3.8. Customers of company B did not perceive this feature offered by the product although the company reported it as one of the reasons to set higher house price. However company B's customers are satisfied with the prime location of the housing project which is another reason of the reasons the company is using to set the higher price. Figure 15 also shows that company B's customers rated degree of satisfaction on vicinity and access of housing project at 4.7 and 4.8, respectively; whereas customers of the other companies rated their satisfaction at between 3.1 and 4.6, and 3.5 and 4.6; respectively.

Comparison of view on price perceived by customer and company				
View on price	Company			
	A	B	C	D
Customer majority's view	Quite expensive	Reasonable	Reasonable	Quite expensive
Company's view	Quite expensive	Quite expensive	Quite expensive	Reasonable
Reasons from company	Site location	Site location + high-quality materials used	High-quality materials used	N/A

Table 14 Comparison of view on price perceived by customer and company

In spite of this, the customer's overall satisfaction on price rated to each company is not seen as differentiated. Scores are in between 3.3 to 3.5 considered quite neutral (see Figure 20).



Figure 20 Customer's overall satisfaction on product and service offered by company

This satisfaction of customers usually comes from the comparison of total value received against actual price paid. And in this case the results show that to most customers, the price of houses set by companies is acceptable and affordable. The low scores and small gap between scores seen might be explained by customers'

sensitivity to prices. It is found that the sensitivity of customers to prices is reduced due to the difficulty in making comparisons between each company's house product in the market since house is a unique product offering different features and many other unique aspects.

For companies, a consideration included when setting house price is the affordability of customers and also their ability to raise finance. It is noticed that the payment terms and condition offered by sample companies fit in with the income of the target groups of customer. Figure 21 shows customer's salary. The research found that while the majority of customers have salary more than 200,000 Baht a month, the minimum payment required to buy a house from the sample companies is 100,000³⁶ Baht per month for 20 years payment duration.

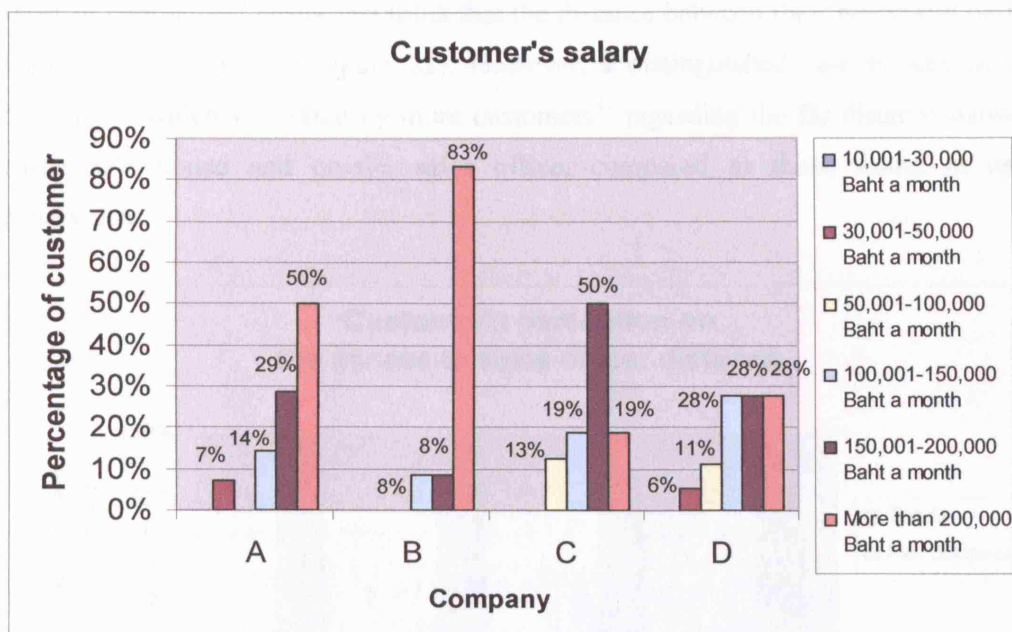


Figure 21 Percentage of customer in different groups categorized by salary range

Brand or reputation also affects the price of product and customer's perception on price. From the investigation, a case seen is that one company³⁷ is considerably new³⁸

³⁶ This figure is based on 15 million house price, 30% down payment and 5.75% interest for 20 years payment duration.

³⁷ Company D

³⁸ Company D has been established for 3 years.

in the market. The company was rated by customers the lowest³⁹ among the sample companies on the overall customer's satisfaction on company's reputation and image (see Figure 20). Normally when brands are unfamiliar, perceived risk of making unsatisfactory choices is high. However, some of the customers of this company use price as an indicator of quality and thus rely on this price indicator.

PLACE

The question asking customers how they think about company's on-site sales office is separated into a question regarding the distance of on-site sales office and the location of on-site sales office.

Most of companies' customers think that the distance between their house and on-site sales office is fair (see Figure 22). However, a distinguished case is seen in one company⁴⁰ which was rated by more customers⁴¹ regarding the far distance between customer's house and on-site sales office, compared to those found in other companies.

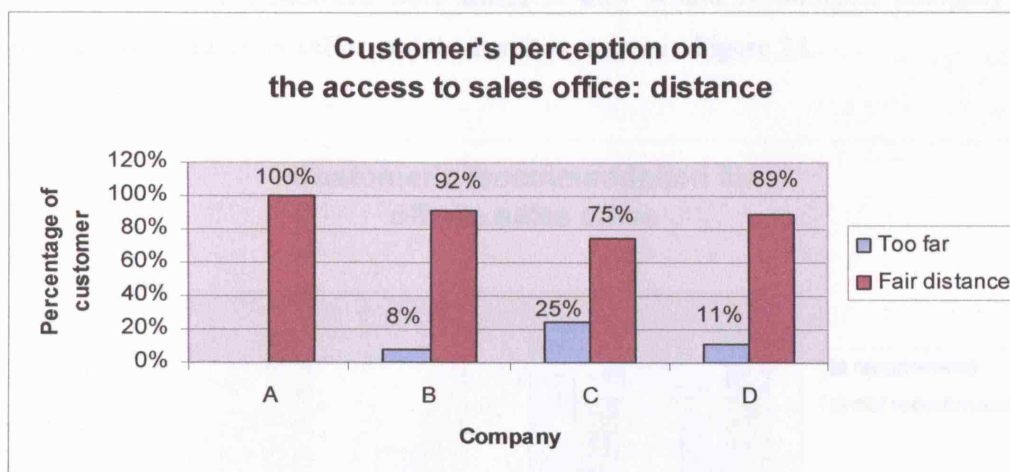


Figure 22 Customer's perception on the access to sales office: distance

³⁹ From Figure 20, company D was rated at 3.8 for company's reputation and image whereas company A, B and C was rated at 4.1, 4.5 and 4.5; respectively.

⁴⁰ Company C

⁴¹ 25% of customers were found in company C while only 8% and 11% of customers was found in company B and D, respectively.

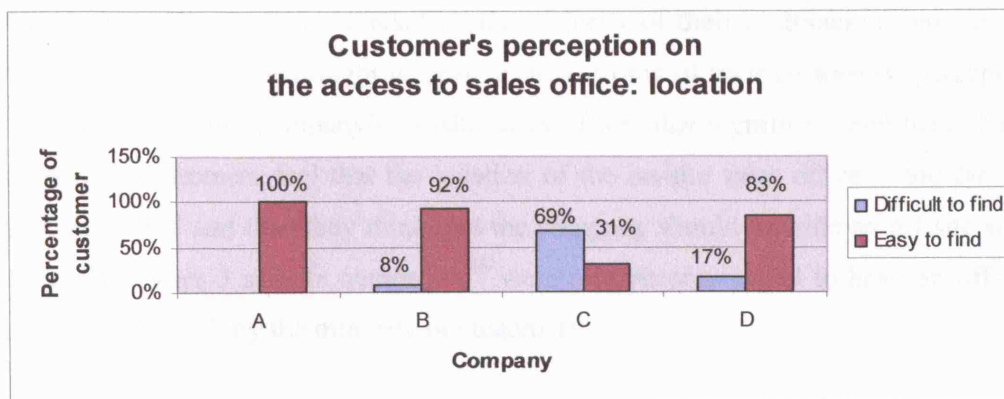


Figure 23 Customer's perception on the access to sales office: location

From Figure 23, it shows that the same company was rated by most⁴² of their customers regarding the difficulty to find the on-site sales office whereas this problem is seen less⁴³ in other companies.

So far, the research has found that most housing companies in the Thai housing market use only an on-site sales office as the point of sale. The result also shows that none of the sample companies has an off-site sales office. However, the research tries to see if there is a need for a company to provide other routes of distribution channel to customers. The customers were asked if they would recommend company to provide an off-site sales office and the result is shown in Figure 24.

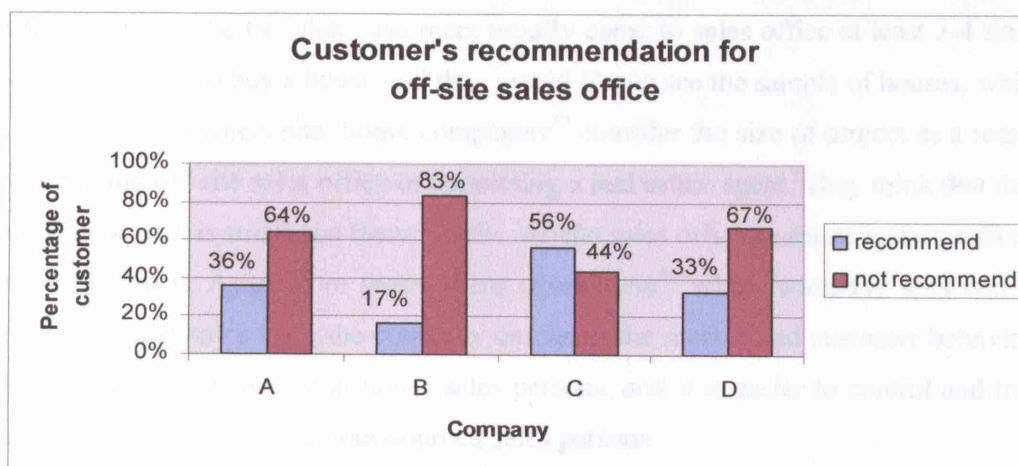


Figure 24 Customer's recommendation for off-site sales office

⁴² 69% of the company C's customers

⁴³ 8% of company B's customers and 17% of company D's customers

One company⁴⁴ was recommended by the majority of their customers to provide an off-site sales office. This might be seen as an outcome of their customers' perception on the access to the company's on-site sales office; that significant numbers of this company's customers feel that the location of the on-site sales office is too far and difficult to find and thus they think that the company should provide an off-site sales office. The other 3 sample companies⁴⁵ were also recommended to have an off-site sales office though by the minority of customers.

The results have confirmed that access and convenience are considered as important features of distribution channel in housing market. Where there is difficulty to access to the distribution channel provided, it is necessary to provide convenience to customers to get to the point of sale, perhaps by other choices of distribution channel and in this case an off-site sales office.

Nevertheless, despite of the fact that all companies are recommended by customers to provide an off-site sales office, none of the companies think about using the off-site sales office. Moreover, it has also been found that most of the companies do not appoint any real estate agents. Only one sample⁴⁶ appoints a real estate agent, however, this agency is a subsidiary company of the housing company. There are some reasons given by companies for not using the off-site sales office or appointing any real estate agents. Most companies see that the on-site sales office is more efficient due to the fact that customers usually come to sales office at least 3-4 times before deciding to buy a house and they would like to see the sample of houses, which are built up on project site. Some companies⁴⁷ consider the size of project as a reason of not using off-site sales office or appointing a real estate agent. They think that their housing project is small and therefore the off-site sales office or estate agency will not help sell much. Apart from these, there is one case⁴⁸ where company sees that by using in-house sales team the company can learn the market and customer behaviour through the experience of in-house sales persons; and it is easier to control and train in-house sales persons than out-sourced sales persons.

⁴⁴ Company C

⁴⁵ Company A, B and D

⁴⁶ Company B

⁴⁷ Company A and D

⁴⁸ Company C

The questionnaire survey also asked the customers who recommended company to provide off-site sales office where off-site sales office should be located, given two choices of location or can be specified by customers. The result is illustrated in Figure 25.

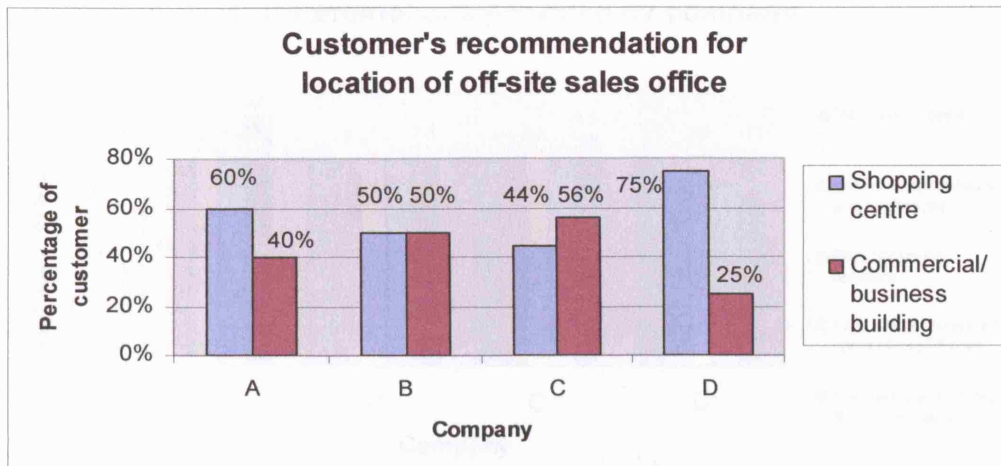


Figure 25 Customer's recommendation for location of off-site sales office

None of recommending customers specified another place for off-site sales office. However, the result can be explained clearer by using weighted-average percentage of all recommending customers. 57% of all recommending customers recommended shopping centre as a location on off-site sales office while 43% of all recommending customers recommended placing off-site sales office in commercial or business building. The research shows that both recommended places provide convenience to customers to meet companies. The companies might consider these places to be other company's points of sale.

SALES PROMOTION

Kotler et al. (1996) define sales promotion as a variety of short-term incentives to encourage trial, purchase or sale of a product or service. In the Thai housing market, sales promotion is always changed depending on the situation of the market and company. It is used by companies to help convince customers to make decision to buy rapidly. Sales promotions offered by housing companies in the market are not much

different. These are seen from the research investigating the satisfaction of customers of housing companies on sales promotions offered by the companies and the result is shown in Figure 26.

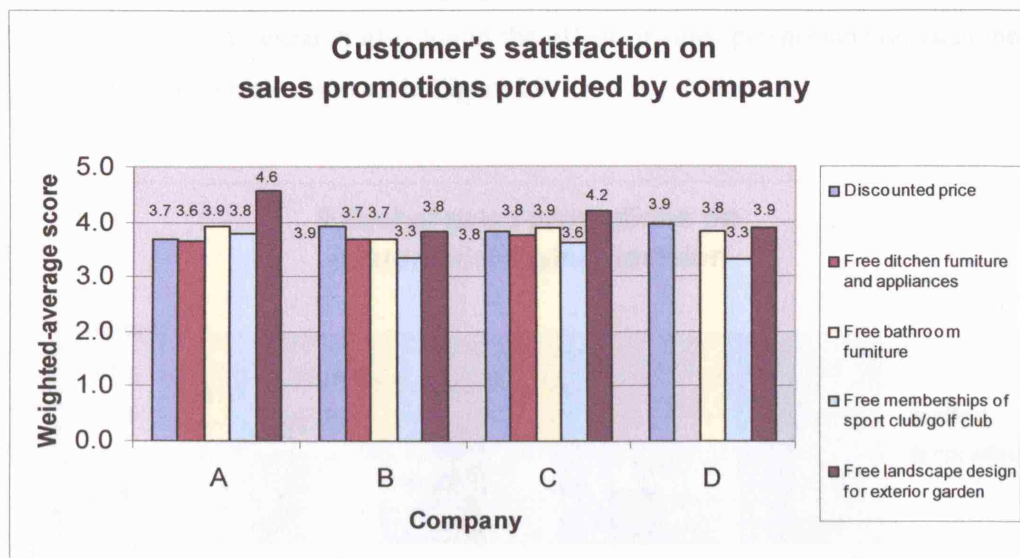


Figure 26 Customer's satisfaction on sales promotions provided by company

Apart from the similarity of the sales promotions offered by the companies, the result also shows that the rank and degree of customers' satisfaction on sales promotions in each company are considerably uniform. Therefore, the research developed an overall picture of all customers' satisfaction on sales promotions offered by companies which is shown in Figure 27⁴⁹.



Figure 27 All customers' satisfaction on sales promotions offered by companies (Overall picture)

⁴⁹ The score is derived using weighted-average method.

From the figure, customers are most satisfied with free landscape design for exterior garden; followed by discounted price offered and free bathroom furniture provided, which were rated at equal score. Free kitchen furniture and appliances were rated at the second last while the least satisfying sales promotion is free memberships of sport club/golf club. The research also found the effect of sales promotions on customer's buying decision which is shown in Figure 28.

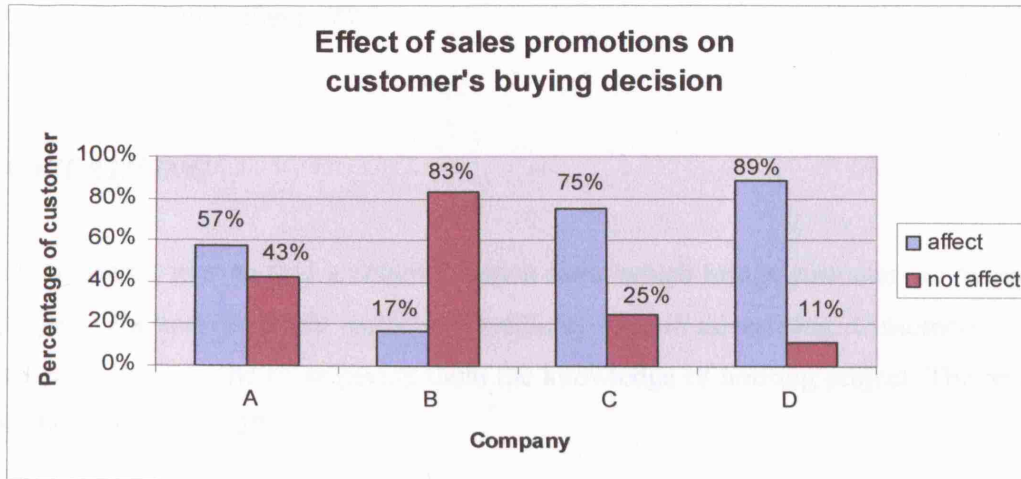


Figure 28 Effect of sales promotions on customer's buying decision

The result shows that most customers of 3 sample companies⁵⁰ considered the sales promotion offered by company when making decision to buy house whereas most customers of only 1 sample company⁵¹ did not concern about the sales promotion when deciding to buy house.

From companies' view on sales promotion, companies see that for high-end product, a sales promotion can motivate customers to make decision to buy quicker but it does not help to increase sales much.

Moreover, it has been noticed that customers in high-end segment are more satisfied with sales promotions offering added value to house, for example, free landscape design for exterior garden and discount than sales promotions in physical form, i.e.

⁵⁰ Company A, C and D

⁵¹ Company B

free kitchen furniture and appliances. One of sample companies⁵² tries to lead the sales promotion by adding value but not by objects. Except for discount, this company usually offers premium product or service, for example, free design for home theatre with appliances in the living room of houses, free exterior gardening using lucky plants, free common utility fee up to Dec 2006 and special discount. However, physical sales promotion is still used in the high-end segment as some of sample companies offer free air-conditioners, free wall paper and Jacuzzi apart from sales promotions seen in Figure 27.

ADVERTISING

The research tries to find a communication route which brings customers to housing project. The questionnaire includes 8 mediums used in advertising. Customers were asked to indicate the route giving them the knowledge of housing project. The result is shown in Figure 29.

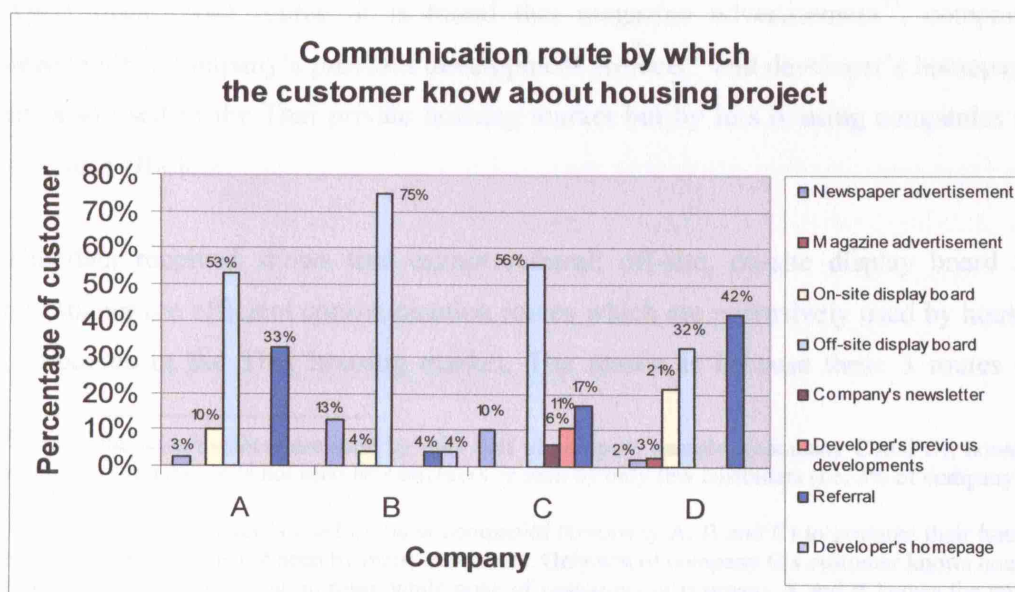


Figure 29 Communication route by which the customer know about housing project

From Figure 29, the result is slightly different between companies; therefore, it is clearer to see the result by classifying them in rank system shown in Table 15 below.

⁵² Company B

Most of companies' customers know housing project through off-site display board, followed by referral, on-site display board and newspaper advertisement. Moreover, these communication routes are the only 4 routes found to be used by all sample companies.

Communication route by which the customer know about housing project (Classified in rank regarding percentage of customer)				
Communication route	Company			
	A	B	C	D
Newspaper advertisement	4	2	4	5
Magazine advertisement	N/A	N/A	Not seen	4
On-site display board	3	3	Not seen	3
Off-site display board	1	1	1	2
Company's newsletter	Not seen	Not seen	5	N/A
Developer's previous development	Not seen	Not seen	3	N/A
Referral	2	3	2	1
Developer's homepage	Not seen	3	Not seen	N/A
Remark: - Not seen means 0% of company's customer knows housing project by the communication route - N/A means the communication route is not available in housing project				

Table 15 Communication route by which the customer know about housing project (Classified in rank regarding percentage of customer)

Apart from those routes, it is found that magazine advertisement⁵³, company's newsletter⁵⁴, company's previous development projects⁵⁵ and developer's homepage⁵⁶ are also used in the Thai private housing market but by less housing companies and seen less efficient.

The data received shows that except referral; off-site, on-site display board and newspaper are efficient communication routes which are pervasively used by housing companies in the Thai housing market. The reason is because these 3 routes can

⁵³ Magazine advertisement are used by only half of company samples (company C and D); however, when it is available, it is not seen by customers or seen by only few customers (i.e. 3% of company D's customers).

⁵⁴ Company's newsletter is used by most companies (company A, B and C) to promote their housing project. However, it is not seen by many customers. Only 6% of company C's customer knows housing project by this communication route while none of customers of company A and B knows the project by this way.

⁵⁵ Company's previous development projects are also used as a communication route to advertise company's housing project by most companies (company A, B and C). Nevertheless, it is not seen by many customers. Only 11% of company C's customer knows housing project by this route while none of customers of company A and B knows the project by this way.

⁵⁶ Developer's homepage is another communication route used by most of companies in the sample (company A, B and C), however it is not seen by customers or seen by only few customers (4% of company B's customers).

transmit house product information to an extremely large target group of customer and/or focus on a small precisely defined segment of target group of customer. The example is seen in one big housing company in Thailand who advertised many company's housing projects in one advertisement, at the same time they also used another advertisement focusing on only one specific housing project of the company. While the first advertisement is tended to catch audiences from different segments of market from medium to high-end segment, the second advertisement is tended to focus on only the high-end group of customers. And because by these routes, information reaches a vast number of people, it is considerably cheap when considering cost per head.

In contrast, company's newsletters usually distributed to company's shareholders or existing customers, magazine and developer's homepage reach smaller groups of people and therefore they are not much efficient as the results have shown.

Apart from communication routes mentioned in Figure 29, television advertisement is used in the market but by few companies; whereas direct mail and PR are also found and more popular. The result shows that some sample companies use these routes⁵⁷. One of the sample companies⁵⁸ used PR through newspaper when their housing project was first launched and it is seen very efficient. This company presented their name which is very new to the market; while partners of the company who experience and are known in the market are also mentioned in the PR. By this way, old customers of the company's partners knew about the project. It is seen as highly efficient since most of customers of the company's project are old customers of company's partners and people who they recommended the project to.

MGM – Member Get Member which is similar to referral is also used by some housing companies in the Thai housing market. One of sample companies⁵⁹ uses this route. It encourages existing customers to recommend new customers to the project. Both existing and new customers will get discount when new customers decide to buy.

⁵⁷ TV advertisement is used by company A, direct mail is used by company B and C; and PR is used by company B and D (see Appendix A, B, C and D).

⁵⁸ Company D

⁵⁹ Company C

4.2 RELATIONSHIP MARKETING IN THAI PRIVATE HOUSING MARKET

CUSTOMER RELATIONSHIPS AND CUSTOMER SERVICE

The research tries to see the relationship between company and their customers and the reward the company receives from the devotion in the relationship.

MGM – Member Get Member can be seen as a relationship sales approach in the Thai housing market. In addition, it is found that in the market, companies usually use events or activities to get in touch with customers. These events and activities are organized both before sales and/or after sales. They give an opportunity to customers, project owner and project team to meet and know each other.

Pre-sales event is normally seen when a housing project is first launched. The example is seen in one of sample companies⁶⁰. The company arranged a presentation of house decoration where they invited interior designers from a design firm to present to participants the interior decorations of house that suit the house designs offered by the company. This is seen as a way to attract a target group of customers to visit and see the project and house product while at the same time the company use this opportunity to present a more attractive product to customers. They also arranged a promotional activity including shows and a small concert. In this activity day, they offered special sales promotions to participants who made a booking to buy a house and they also gave a privilege voucher to all participants to get a free one-day service to use facilities at the project's sport club. It is seen that, by these activities the company and customers met and a relationship between company and customer was built. The result is the good response from customers which can be seen from the booking to buy house made on the activity day and the sales closed after this activity day.

⁶⁰ Company B

After-sales event or activity is seen in many forms, such as a party on special occasion, service after sales and a "Thank You" party when project is sold out. This event or activity helps keeping relationships between company and their customers. Some of sample companies⁶¹ have their own customer service teams who organize events to build up a relationship with their customers, for example, one company⁶² ran an event "House Lover Day" offering a free service to check and clean air-conditioner systems inside customers' house. On a special occasion, they organize a party "The Moon Festival" on a full moon night at a company's housing project where most of residents are Chinese-Thais. There are also some events which are organized for sales. Existing customers are invited and encouraged to bring their friends to come to the events. At the same time, new target customers are invited to join the events. These both types of event help create good relationships with customers which the companies see they are very important. Customers who are contented with the product and service of the company always mention or refer and recommend company's name to their friends or family and thus the company has more customers. Referrals, new customers and repeat customers are brought to companies through the events and activities.

Repeat and non-repeat customer

The analysis of the questionnaire responses shows that repeat customers are found in one sample housing company⁶³ only (see Figure 30).

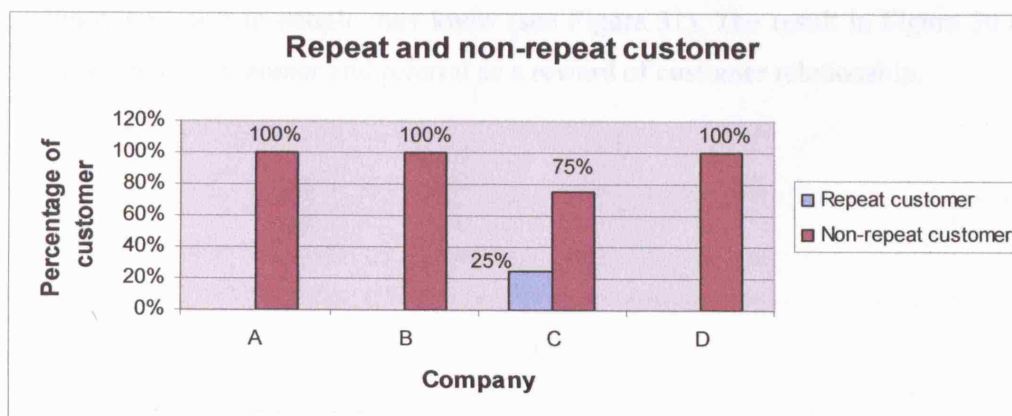


Figure 30 Repeat and non-repeat customer

⁶¹ Company B and C

⁶² Company B

⁶³ Company C

Although this company informed the number of 30% repeat customer in the interview, 25% appearing from the responses is very close. This company sees that customers also grow along with the company. Some customers, who bought medium-end product from the company and are satisfied with the product and service, come back to the company again and buy a luxury house when they are wealthier. It has also been noticed that apart from pre-sales and after-sales events including service after sales used by this company, the company usually prepares a fund to the residential community within housing project in order to create and maintain their own activities within the community. The result of repeat customer shown can be seen as the company's reward for their devotion to relationship with customers.

Although no repeat customer appears in the other companies, it is found that one company⁶⁴ has customers who are the old customers of company's partners and therefore did not present themselves as repeat customer; whereas other company⁶⁵ found less repeat customers in the company's housing projects but more are found in the company's condominium projects⁶⁶. No repeat customer appears in another company⁶⁷ because the target group of customer is different from that of previous company's projects.

Referral

The research found that more than half of customers of all companies have referred company's project to people they know (see Figure 31). The result in Figure 30 and 31 shows repeat customer and referral as a reward of customer relationship.

⁶⁴ Company D

⁶⁵ Company B

⁶⁶ More repeat customers are seen in the company's condominium projects because buying condominium is considered one way of investment. Buyers can easily sell the unit in higher price or let the unit out and therefore buy more condominium units from the company.

⁶⁷ Company A

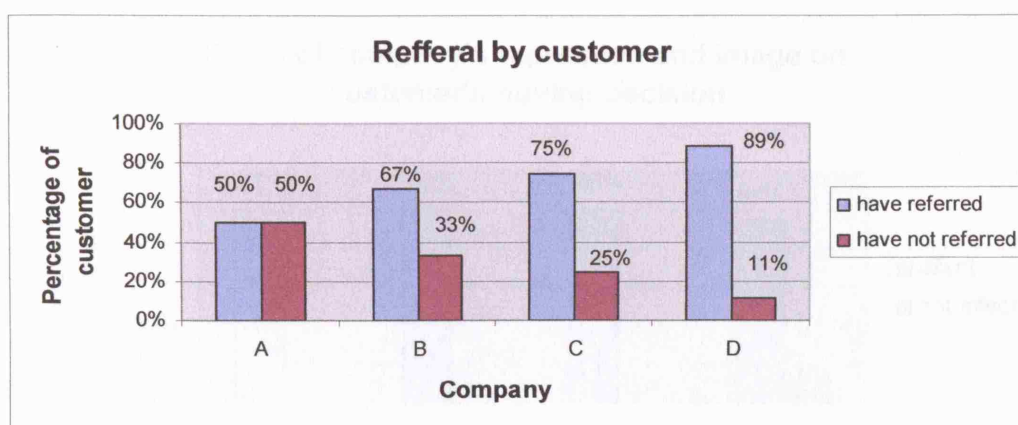


Figure 31 Referral by customer

So far, the research has found that relationship is seen as an emotional issue. Customers who realize the company concern regarding a relationship with customers can be impressed with the company. They might become the company's repeat customers in the future. Some of them mention the company name or recommend the company to the people they know. If the company can remind their customer that they are concerned about good relationships with the customer, this definitely helps company reputation. Relationships with customer are very important. Customers who are satisfied with products and services of company including good relationships with the company recommend the company to their family and friends or even colleagues. If customers are dissatisfied with the company, they do not only never come back to the company but also create bad company reputation in the market.

COMPANY'S REPUTATION AND IMAGE

The research has found that for the high-end segment of the Thai private housing market, reputation and image of housing company is very important. The result from a question asking customers if they took a consideration on the reputation and image of housing company when making decision to buy a house is shown in Figure 32.

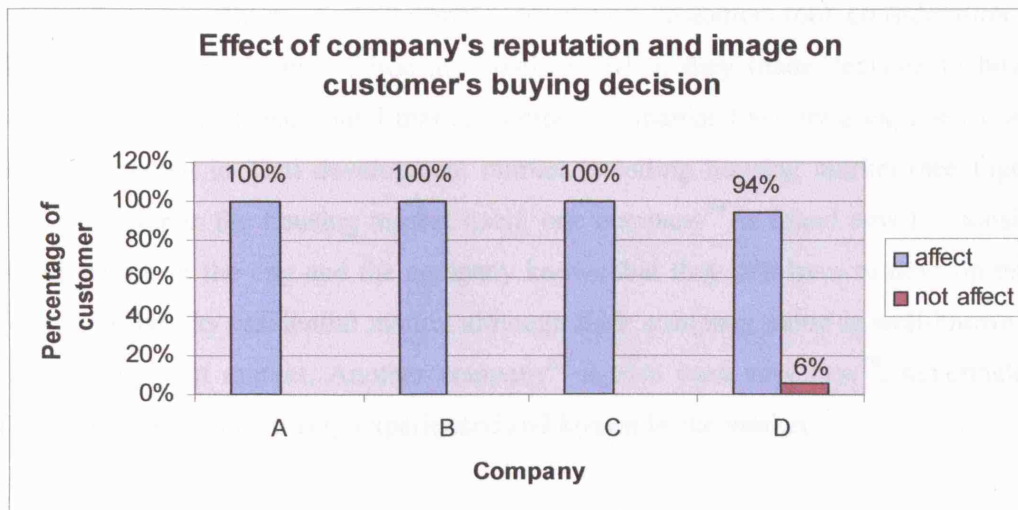


Figure 32 Effect of company's reputation and image on customer's buying decision

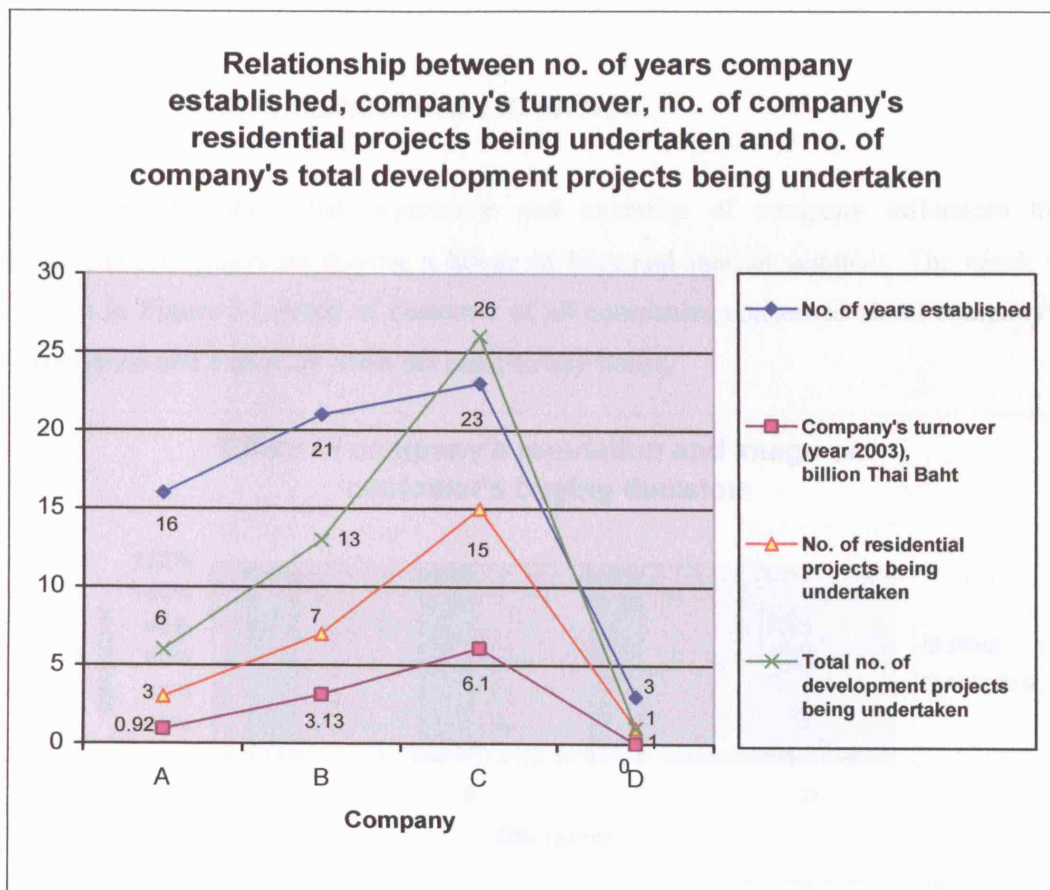


Figure 33 Relationship between no. of years company established, company's turnover, no. of company's residential projects being undertaken and no. of company's total development projects being undertaken

Figure 32 shows that most of all sample companies' customers took consideration on the reputation and image of housing company when they made decision to buy a house. The research has found that all sample companies have long experience and thus are known in Thai development market including housing market (see Figure 33). However in the housing market itself, one company⁶⁸ is found new for housing development in the city and the company knows that they still have to develop their profile in the city residential market although their company name is well-known in the development market. Another company⁶⁹ is also seen very new⁷⁰, nevertheless company's partners are very experienced and known in the market.

The reputation and image of company affects sales since they help convincing customers the commitment the company gives to customers that they will be received product and service as they expect to have when they decide to buy.

COMPANY'S EXPERIENCE AND EXPERTISE

The research found that experience and expertise of company influences the customer's decision on buying a house in high-end market segment. The result is shown in Figure 34. Most of customer of all companies concerned about company's experience and expertise when deciding to buy house.

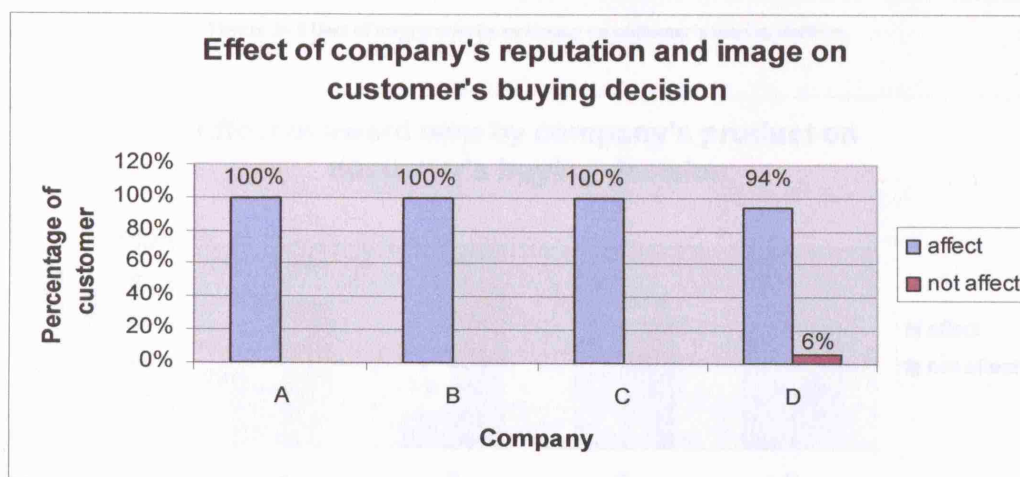


Figure 34 Effect of company's experience and expertise in housing business on customer's buying decision

⁶⁸ Company A

⁶⁹ Company D

⁷⁰ Company D has been established for 3 years.

The experience and expertise of company shows customers the potential of the company to satisfy them with product and service. They help assure customers the quality of products and vision to develop new products in the future.

COMPANY'S AWARD AND COMPANY PRODUCT'S AWARD

So far, the research has found that none of sample companies has received award for company itself, company's management or company's product. However the research tries to see if there is any effect of company's award or company product's award on customer's buying decision and the result is shown in Figure 35 and 36.

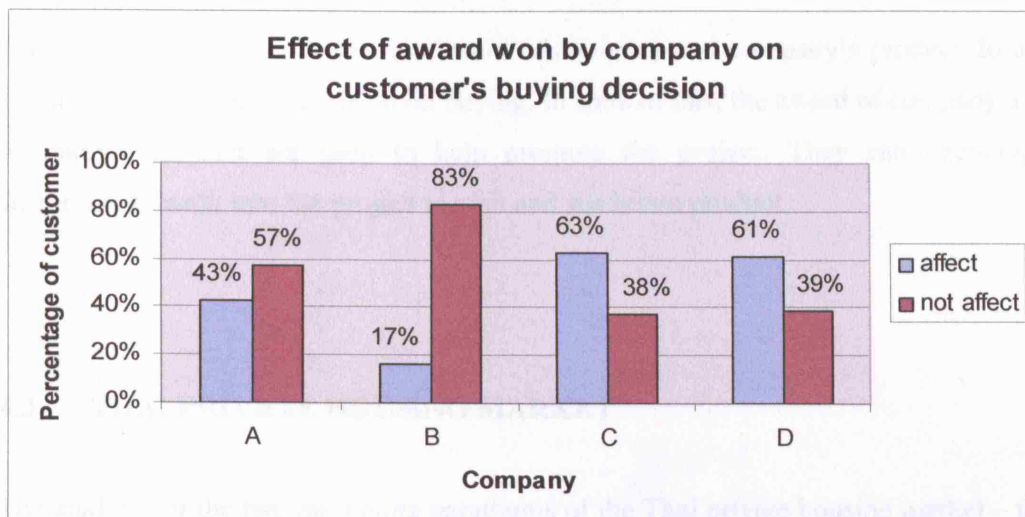


Figure 35 Effect of award won by company on customer's buying decision

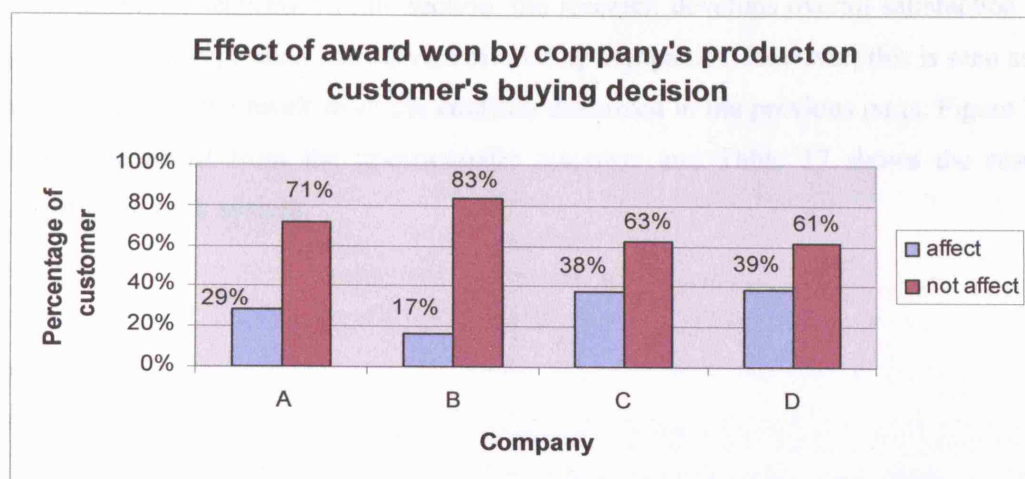


Figure 36 Effect of award won by company's product on customer's buying decision

From Figure 35 and 36, the clearer picture of the effect of the two awards on customer's buying decision is developed in Table 16 by using weighted-average method.

Effect of award won by company or company's product on customer's buying decision (Overall picture)		
Type of Award	Percentage of customer	
	Affect	Not affect
Company's award	46%	54%
Company product's award	31%	69%

Table 16 Effect of award won by company or company's product on customer's buying decision (Overall picture)

The overall picture shows that the award of company and company's product do not much affect customers' decision on buying. In spite of this, the award of company and company's product are seen to help promote the project. They can encourage customers to walk into the project to visit and see house product.

4.3 THAI PRIVATE HOUSING MARKET

The analysis of the two marketing paradigms of the Thai private housing market – the 4Ps marketing mix and the relationship marketing have already been shown in detail in the previous sections. In this section, the research develops overall satisfaction of customers on the product and service offered by companies. However, this is seen as a consequence of the result from the analyses discussed in the previous parts. Figure 37 shows the result from the questionnaire response and Table 17 shows the result classified in rank system.

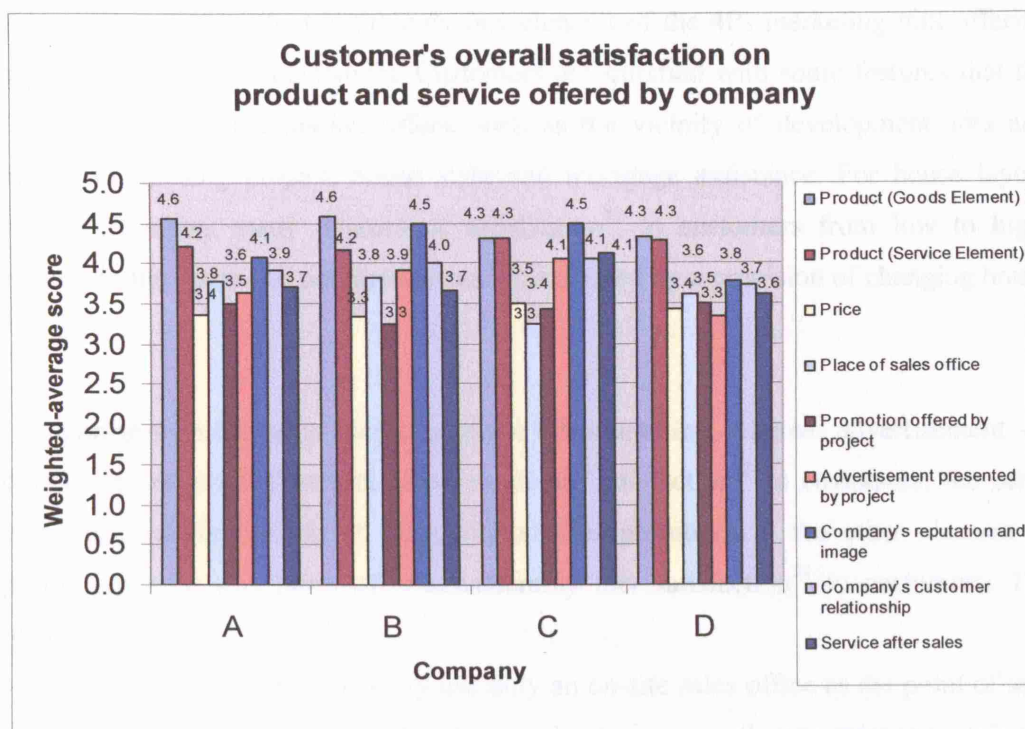


Figure 37 Customer's overall satisfaction on product and service offered by company

Customer's overall satisfaction on product and service offered by company (Classified in rank regarding weighted-average score rated)					
Products and services element	Company				Overall rank
	A	B	C	D	
Product (Goods Element)	1	1	2, 3	1	1
Product (Service Element)	2	3	2, 3	2	2
Price	9	8, 9	7	8	9
Place of sales office	5	6	9	5, 6	7
Promotion offered by project	8	8, 9	8	7	8
Advertisement presented by project	7	5	4, 5, 6	9	5
Company's reputation and image	3	2	1	3	3
Company's customer relationship	4	4	4, 5, 6	4	4
Service after sales	6	7	4, 5, 6	5, 6	6

Table 17 Customer's overall satisfaction on product and service offered by company (Classified in rank regarding weighted-average score rated)

Table 17 shows that in the high-end segment of the Thai private housing market, customers are most satisfied with product and its accompanying services, such as provision of mortgage assistance; followed by reputation and image of company, company's customer relationship, advertisement, service after sales, place of sales office, sales promotion and price.

It is noticed that product is the only one element of the 4Ps marketing mix offering high satisfaction⁷¹ to customers. Customers are satisfied with some features that the house product in the market offers, such as the vicinity of development area and access to housing project, house style and mortgage assistance. For house layout feature, it offers many degrees of satisfaction⁷² to customers from low to high. However, the degree of satisfaction can be increased by a provision of changing house features.

Comparing with the other elements of the 4Ps marketing, whereas advertisement – a component of promotion mix offers moderate satisfaction⁷³ to customers; the other elements including place of sales office, sales promotion – the other element of promotion mix; and price offer considerably low satisfaction⁷⁴ to customers. The reasons are:

- housing companies usually use only an on-site sales office as the point of sale whereas customers feel that they can be more convenient to meet companies at an off-site sales office, for example, at shopping centre or commercial building; if the companies have one;
- from companies' view on sales promotion, housing companies see that for high-end product, sales promotions can speed up customers' decision on buying but do not help to increase sales much and therefore less attention is paid on initiating attractive and differentiating sales promotions whereas in fact customers consider sales promotions offered when deciding to buy a house;
- despite the fact that price of house is usually set by housing company considering affordability and acceptability of customers, customers are still seen as price takers in the Thai housing market and they feel less satisfied with this product feature.

⁷¹ Customers' overall satisfaction on product in term of goods element and service element was ranked the first and the second, respectively (see Table 17).

⁷² All customers rated for their satisfaction on layout of house between 3.9 and 4.4 (see Figure 15).

⁷³ Customer's overall satisfaction on advertising was ranked the fifth (see Table 17).

⁷⁴ Customer's overall satisfaction on place of sales office, sales promotion and price is ranked the seventh, the eighth and the ninth; respectively (see Table 17).

There are two elements of the relationship marketing – company's reputation and image and company's customer relationship which are seen offering high satisfaction⁷⁵ to customers of housing companies in the high-end market segment of the Thai private housing market. Reputation and image of housing companies has been built up from companies' long experience and expertise while companies' customer relationships have been seen through the use of events and activities providing companies opportunities to meet and bond relationships with customers. However, service after sales – an element of relationship marketing is seen offering customers low satisfaction⁷⁶ in the market.

Figure 38 shows the model of three types of marketing in housing service in Thai private housing market and Figure 39 shows the model of total perceived quality applied to the high-end segment of Thai private housing market.

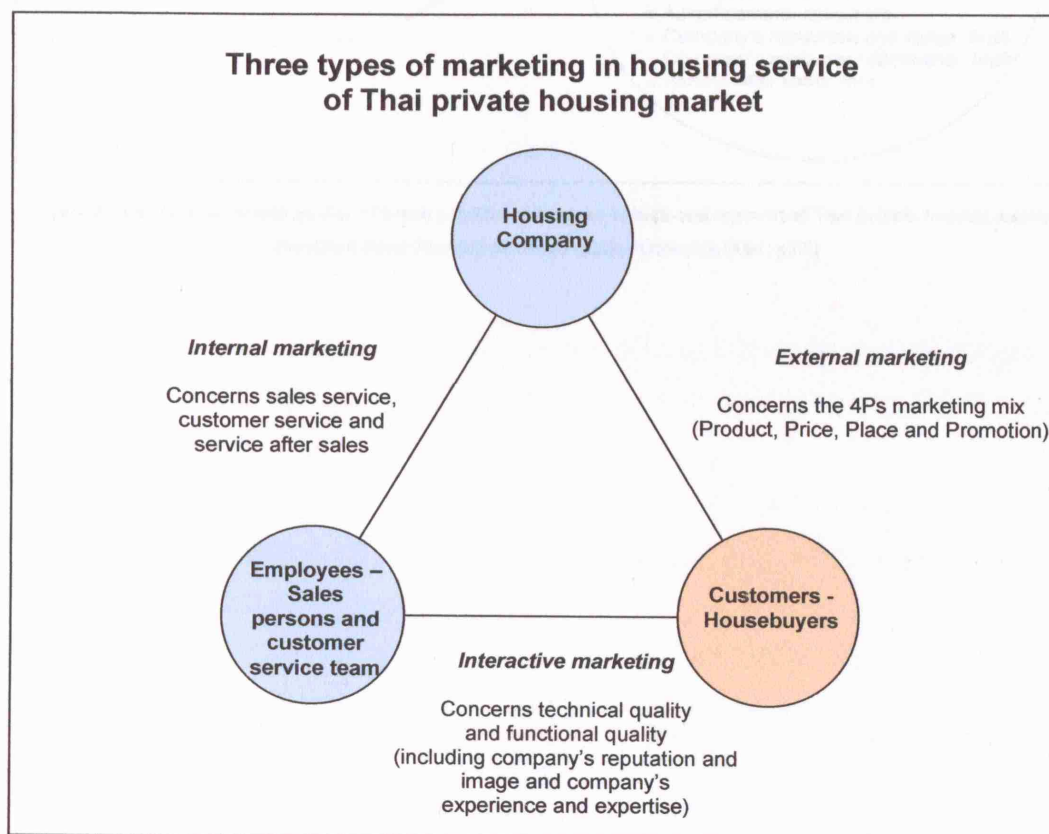


Figure 38 Three type of marketing in housing service of Thai private housing market

(Source: Adapted from Kotler, 2003; p.451 and Kotler et al., 1996; p.593)

⁷⁵ Customer's overall satisfaction on company's reputation and image was ranked the third whereas customer's overall satisfaction on company's customer service was ranked the forth (see Table 17).

⁷⁶ Customer's overall satisfaction on service after sales was ranked the sixth (see Table 17).

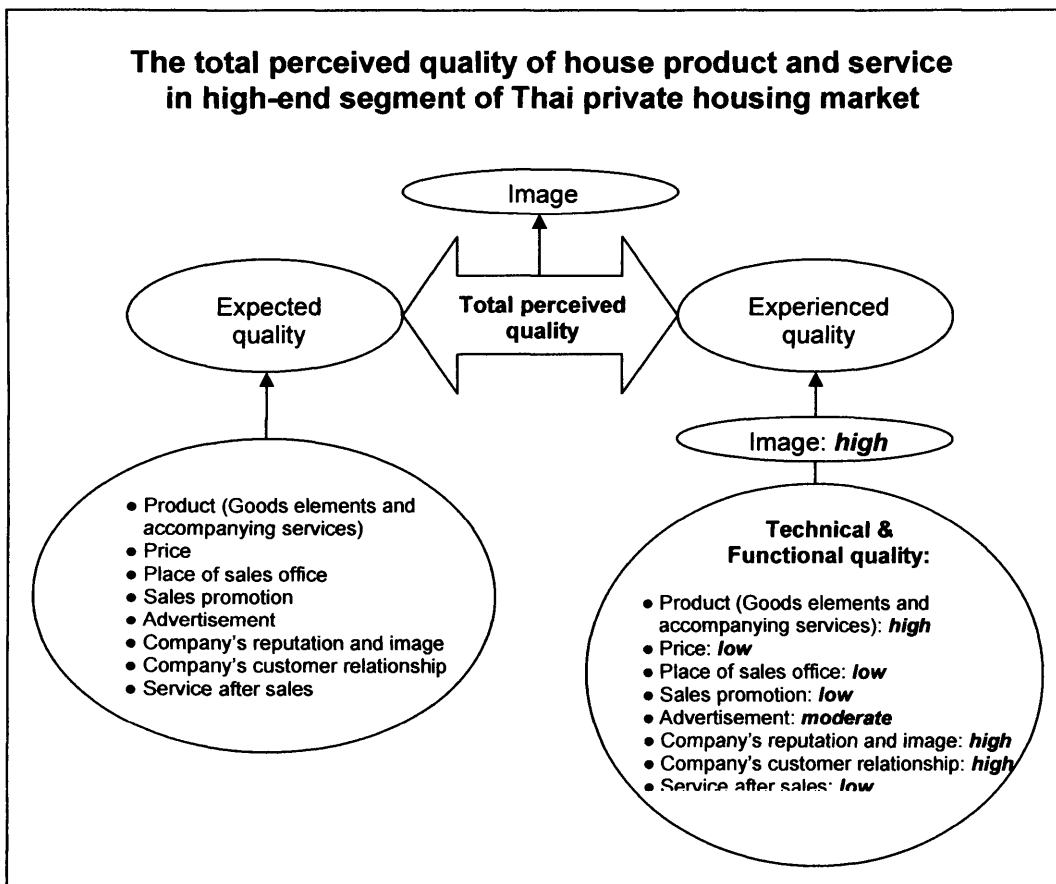


Figure 39 The total perceived quality of house product and service in high-end segment of Thai private housing market
(Modified from: The total perceived quality; Gronroos, 2001; p.67)

CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

The main objective of this research is to investigate and identify market needs of the high-end segment of Thai private housing market in order to make recommendations on marketing strategy. The investigation is done by interviews and questionnaire survey based on the 4Ps marketing mix and relationship marketing as a conceptual framework. The findings of this research show that;

- Customers are principally satisfied with the speculative housing products offered in the market. However, the products available are not seen offering as differentiated which might be an outcome of the fact that:

- the differences between the house developers' products are not that great, so highly differentiated products are not on offer; or
- housebuyers are lacking in awareness of other product possibilities; or
- housebuyers are relatively conservative when considering housing as an investment and developers are responding to that demand.

- There is good response from customers when product differentiations are offered in the market. Some housing companies in the market have made products differentiated by some different ways.

- Making product features into a brand feature is used by a housing company in the market and has worked well for them. There may be a specific lesson for other companies to copy.
- Customers of a company in the market are satisfied with provision of high speed internet connection in house unit. This is seen as the start of an important trend for developers to follow, and it may also evidence of successful product differentiation.

- Accompany services of housing are considerably important and necessary. While they have an effect on customer's buying decision, they help improve customer's dissatisfaction on product features.

- Some differentiations of product and service offered by some housing companies in the market are not perceived by their customers. This might be a consequence of:
 - the degree of differentiation is not so high enough to differentiate the offer;
 - or
 - customers are lacking in awareness of other product possibilities.

- Housing companies in the market are able to control sales prices to a degree considering customers' acceptability and affordability and customers are seen as price takers. However, customers are less sensible to price and more satisfied with price offered when house products are seen value added or superior.

- There is a need in the market to provide more distribution channels. Customers see that they can get more accessible to housing companies and convenient by the use of off-site sales office provided by housing companies, which is not generally the case seen in the market.

- Sales promotions offered in the market are quite similar while customers are more satisfied with sales promotions in added-value form than those in physical form. They have influence on housebuyers' buying decision; nevertheless housing companies are less aware in this fact.

- Off-site display board, referral, on-site display board and newspaper are prevalently used by housing companies and seen efficient. Other types of advertising route are also found but less efficient; or they only work well in particular situation and therefore fit individual housing company.

- Relationships between housing companies and their customers are seen through MGM – Member Get Member sales approach and the use of events and activities arranged by the companies. However, customers are still less satisfied with after sales services offered in the market.
- Housing company's reputation and image, which are relevant to company's experience and expertise, are very important and affect customer's decision on buying a house in the market. Whereas the reputation and image of company helps convince customers the commitment given by the company that they will be received product and service as they expect to have when they decide to buy, the experience and expertise of the company reflects the potential of the company to satisfy customers with their products and services.
- Company's award and company product's award do not have much effect on customer's buying decision. Nevertheless, they can encourage customers to walk into project to visit and see house product.

RECOMMENDATIONS

- Further research should be developed to identify a certain reason of the perception of undifferentiated product in the market whether it arises from housing companies offering too little product differentiation, customer's unawareness of other product possibilities or conservative customers when investing in housing leading to housing developers responding to the demand. This will help housing companies decide how to position themselves to gain the strongest possible competitive advantage, at the same time profitably provide what customers want.
- The market needs to make more products and services differentiated, and raise up the degree of existing differentiation of products and services. These are seen as a tool to obtain a competitive advantage as well as helping improve problem of imperceptible differentiation of products and services in the market. Housing

companies can copy specific lessons⁷⁷ or follow market trends⁷⁸ which have shown success. However, housing companies should be aware that by these ways, the market will be more competitive and their competitive advantages can be easily lost; and therefore the companies always need to initiate new competitive advantages.

- The market needs to build up the degree of customer's satisfaction on price as housebuyers are less satisfied with price offered and seen as price takers in the market. Housing companies should offer and deliver greater value which might be carried out by adding value to products and services or making them more distinctive.
- Housing companies need to reconsider the use of off-site sales office since there is a recommendation by customers in the market. They might consider shopping centre or commercial building to be a location of off-site sales office.
- The market needs to rethink on the importance of sales promotion. Customers in the market are less satisfied with sales promotions offered, which is seen as a consequence of unawareness of housing companies on the effect of sales promotion on customer's buying decision. More attention from housing companies is needed to improve sales promotion programme so that the satisfaction of customers will be raised up. Offering sales promotion in added value form can be considered in the programme.
- It is essential that housing companies provide training programme of internal and interactive marketing. This will help to ensure the higher degree of customer's satisfaction on product and service offered by the companies. The training programme of internal marketing should involve after sales service which now offers low satisfaction to customers in the market, customer service and sales service; whereas the training programme of interactive marketing should concern the quality of service including company's reputation and image and company's experience and expertise (see Figure 38 and Figure 39). All elements mentioned are seen important since they affect customer's decision when buying a house.

⁷⁷ The case of making product features into a brand feature

⁷⁸ The case of provision of internet connection

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APPENDICES

APPENDICES

APPENDIX A INTERVIEW WITH DEVELOPER A

Company: A major development public company in Thailand

Interviewee: Marketing manager of the visited company's housing project

The researcher was asked not to mention the name of the company and the interviewee.

COMPANY

Q.1 How many years has your company established?

A.1 It has been 16 years now since the company was set up in 1989.

Q.2 What size is your company? How many employees are there in the company?
How much is the company's turnover?

A.2 Our company is a medium size company with approximately 200 employees.
Turnover in year 2003 is 920 million Baht.

Q.3 How many development projects is the company undertaking at this moment
(including the development visited)?

A.3 At the present, the company is undertaking 3 residential projects. One of them
is a housing project located in Bangkok, other project is a resort condominium
located in Hua Hin and another one is a resort villa project located in Phuket.
Apart from these, there is one more project which is an office building for rent
located in Bangkok.

Next, the researcher interviewed the marketing manager about the company's housing
project located in Bangkok which is used to be one of the samples.

CUSTOMER

Q.4 How do you define your target groups of customer?

A.4 The target group of customer for this project is a high-end group. Most of our customers are businessmen and young successful professionals. It also includes some diplomats and models. Our customers are between 30-50 years old.

PRODUCT (Goods Elements)

Q.5 How many house styles does the project offer to the customers? And how do your customers like this offer? Do you think whether this is a reason of customer's consideration on buying a development?

A.5 The concept of this housing project is "Modern Living in the City" – A project that meets all the needs of urban life. We arrange 61 plots of land with a luxury detached-house for sales. The project offers the customers 6 different unique designs of 3-floor Tropical Contemporary house with an arrangement of 4 bedrooms/5 bathrooms up to 5 bedrooms/7 bathrooms. Each house is located in a plot area of 84 sq.wa up to 262 sq.wa. and provides a usage area from 518 sq.m up to 852 sq.m. The price starts from 18 million up to 60 million for one plot of land or up to 80 million for two plots of land. The layout of the project groups houses with the same design together, therefore each selling plot of land in the project is already fixed with a house design. A size of land is also arranged to each plot. Our customers usually consider firstly the size of land which they prefer to have. The reason is because they take more consideration on green area for exterior garden. Their second priority is the choice of the house design which has already been arranged to the plots. However, our customers are a niche who likes the concept of the house style and thus they like our products. There are some customers who like to have larger green area. They bought two plots of land but built only a house.

-
- Q.6 Does your development provide any more special features than those offered by other developers e.g. using special materials, security system, facilities within the project or payment term and condition?
- A.6 We think a special feature of this project is that the 6 designs of house offered by the project are designed by 3 leading architectural firms in Thailand including A49, Tandem and UKD. Therefore, it assures the customer the quality of the product in term of functioning and material specification. Apart from this, the project provides a sport club for the house members living in the project. It includes a swimming pool, gym, fitness room, steam and sauna room and a function room. Security system at the entrance gate of the project is card reader system. Each house is allowed to have the maximum of 4 cards which are just enough for the 4 car parking space designed for one house.

PRODUCT (Service Elements)

- Q.7 Does the company give customer opportunity to change the house layout or house feature?
- A.7 We allow our customers to change the external feature of the house limitedly. One of our customers added cladding to the external wall of the house. However, the adaptation must get approved by the project and the notice for the adaptation must be submitted to the project before the original work plan starts. For the internal layout of the house, customers are more flexible to change the layout. Nevertheless, the notice for the adaptation must be submitted to the company before the original work commences.
- Q.8 In what ways does the company help customers dealing with bank or financial institution for their house loan?
- A.8 We are coordinators between our customers and banks at the first step. We are cooperating with many banks giving many choices to our customers who need a house loan. However, after a bank deal with our customer, the project is no more responsible for house loan approval from the bank. The customers are also able to use the bank they know for their house loan.

Q.9 Are there any services the company provides to their customer which might encourage customer's buying decision?

A.9 We focus on service to our customers and the first impression of the customers on the project.

PRICE

Q.10 Do you think the price of your development is quite high/or low compared to other development projects around your project? Why?

A.10 The price of houses in our project is considered more expensive than that of other projects around this area. However, the selling price per square meter is set as the most valued among other high-end choices. This is because this project stands out in terms of its prime location. It is close to reach downtown Bangkok. The location of the project is in the hub of the city where land price is very high and there is not much area available for new developments. The project is located nearby a developed community with local shops, hospitals, schools and universities and there is access to expressway and motorway from many roads linked to the project.

PLACE

Q.11 Does the company use off-site sales offices of its own or others by appointing real estate agents? Does it help the company sell more if there is/are other sales office apart from on-site sales office? What are the ratios of introduction leading to sales on site compared to off site?

A.11 We have only one on-site in house sales office and we do not appoint any real estate agents or have an off-site sales office. Normally the customers come to the sales office at least 3-4 times before deciding to buy a house and they would like to see the sample of houses before making their decision. Usually mockup houses are built up on project sites and therefore an on-site sales office is more efficient. Moreover, the project has only 61 plots of land which is not considered a big project. Our company sees that an off-site sales office

will not help sell much comparing the ratios of expected sales on site with sales off site or by appointed real estate agents.

PROMOTION

- Q.12 Does the company provide any promotions to customer? What are they? To what extent do you think whether these help increase sales? What do the customers say they like about them?
- A.12 When the project was first launched in October 2004, we arranged a presentation “Décor and Modern Living”. We invited interior designers from a design firm to present to participants the interior decorations of house that suit the house designs offered by the project. In March 2005, we had a promotional activity “One in a Million” taken at the clubhouse of the project. In that activity, there are shows including Boxercise, Yoga, Chiball and Aqua Aerobic and a small concert performed by Mr. Saxman - a saxophonist and singer. We offered a special sales promotion campaign for the participants who made a booking to buy on that day which included 500,000 to 1 million baht discount, free air-conditioners for all bedrooms in the house, free exterior landscape gardening and free kitchen furniture and appliances. We also gave a privilege voucher to all participants to get a free one-day service of the facilities at the project’s clubhouse. The company sees that this promotional activity is a marketing strategy to increase sales. It is helpful to convince the customers to make decision rapidly. We received good response from the customers. There are about 80 percent of houses occupied. At this present, we keep some sales promotions offered to the customers including free air-conditioners in all bedrooms, free kitchen furnishings and free exterior landscape gardening or they can exchange them for a discount. But recently we motivate sales by offering special promotions giving free wall paper in all bedrooms and free membership of the sport club in the project.

ADVERTISING

Q.13 Do you record how customers hear about your development? Apart from on and off site sales offices, what results do you get for advertising?

A.13 The mediums we use for advertising the project consist of on-site and off-site boards, small cut-outs beside roads around the project area, billboard seen from the expressway and newsletters distributed to company's shareholders. When we first launched the project, we also promoted the project via a television advertisement of 2 TV channels. At this moment we reduce the television advertisement to 1 channel. The on-site and off-site boards, the small cut-outs and the billboards are most efficient.

Q.14 Are there any customers for this project who are the repeat customers of the company?

A.14 We have no repeat customers in this project. This might be because most of the residential projects of the company in the past are resort housing projects in provinces and therefore the target groups of customer are different.

Q.15 How much does the company devote to the relationship with their customer? And is there any reward from the relationship?

A.15 The company focuses on customer service and the first impression of the customers of the project. The activities launched by the company have made the company's customers got in touch with the owner of the project and project team and we got good response from the customers which was seen from the booking on that day and the sales closed after the activity day.

OTHERS

Q.16 In what ways do you think the reputation and image of the company affect sales? How much does it apply to your company?

A.16 The company is considerably new in the city residential market. We are experienced in resort residence and more known as a developer for office

building. Although, our name has been known in Thailand, we still have to develop company profiles of city residential project.

- Q.17 In what ways do you think the company's experience and expertise in housing business influence the decision to buy of the customers?
- A.17 The experience and expertise of the company can assure the customers the company's product that they will get the product on time and with the same quality as in commitments as well as services after sales.
- Q.18 Have your company or the management person in your company won any awards? In what ways do you think the award encourage customer to make decision to buy the development?
- A.18 Our company has never received any awards. Nevertheless, I think the award can attract the target customers to come to visit and see the project but I do not think it is a reason of the customers to buy.

APPENDIX B INTERVIEW WITH DEVELOPER B

Company: A major development public company in Thailand

Interviewee: Manager of marketing department of the company

The researcher was asked not to mention the name of the company and the interviewee.

COMPANY

Q.1 How many years has your company established?

A.1 The company was founded in 1984 and therefore it has already been 21 years.

Q.2 What size is your company? How many employees are there in the company?
How much is the company's turnover?

A.2 The company has 200 employees. Turnover in year 2003 is 3.13 billion Baht.

Q.3 How many development projects is the company undertaking at this moment
(including the development visited)?

A.3 The company is undertaking 7 housing projects and 5 condominium projects.
2 of the housing projects are located in the hub of Bangkok whereas others are
located in the fringe areas of Bangkok where there are accessible roads
networks to the hub of the city. All of condominium projects are located in the
heart of the Bangkok city.

Next, the researcher interviewed the marketing manager about one of the company's
housing projects located in the hub of Bangkok which is used to be a sample.

CUSTOMER

Q.4 How do you define your target groups of customer?

A.4 This project is a high-end project. Our customers have an average salary over 300,000 baht per month. Most of them are successful professionals whose life style is considered modern. This group of customer is different from another group of customers buying a house in another high-end project of the company. Most of the customers in that group are traditional rich businessmen whose life style is still conservative and they prefer the house style offered by that project which is Italian style.

PRODUCT (Goods Elements)

Q.5 How many house styles does the project offer to the customers? And how do your customers like this offer? Do you think whether this is a reason of customer's consideration on buying a development?

A.5 The project consists of 177 units of ready-to-move-in single-detached house. It offers the customers 6 styles of Oriental Contemporary house with 3 bedrooms/4 bathrooms up to 5 bedrooms/6 bathrooms in a plot area of 100 sq.wa up to 250 sq.wa. The price range of the houses is from 18 to 50 million. The usage area of houses starts from 334 to 516 sq.m. Each plot of land is fixed with a plot area and a house style. The customers visiting the project generally choose a house style matching their requirements e.g. number of bedrooms and bathrooms and price within their budget as their first priority. Next, they consider the location of plot inside the project. We have found that there are some customers who like house styles but do not like the location of houses arranged. In this project we do not sell plots of land without a house to customers although some of the company's projects provide this offer making more flexibility to buy to customers who like to have a bigger piece of land. However, we found that this is not much interested by our customers because the price becomes very high. There is a feedback from company's customers showing that comparing the styles of house of this project with another high-

end project of the company offering Italian-style house, the customers like the Oriental Contemporary style more but they have to concern about the price which is more expensive due to the location of the project.

Q.6 Does your development provide any more special features than those offered by other developers e.g. using special materials, security system, facilities within the project or payment term and condition?

A.6 We consider the location of this project is a prime location. It is in the heart of the city and there are many accesses linking to other major roads of the city and expressways which provide a fast journey to every area of Bangkok even in rush hours. Private schools, hospitals and department stores are nearby the project. In the future, the location of the project will be served by SRT (State Railway of Thailand) and MRT (Mass Rapid Transit Authority of Thailand) which are expected to operate in 2008. The project can be accessed by two roads. Besides the project location, the project provides a good space planning. It has been designed for superb Pocket Parks – spare car parks located in each road inside the project for greater calm and quiet surroundings. These pocket parks block cars running through roads inside the project by allowing service only to the houses located on each road making more private to the residents. Moreover, there is a large public park and a clubhouse located in the middle of the project. The clubhouse provides a fitness centre, a sauna, a steam room and an ozone swimming pool – the only ozone swimming pool in this area. The special feature of the ozone swimming pool is to protect skin and hair damage from the chemicals used with ordinary swimming pools. Comparing with other high-end projects in the housing market, our project offers premium specifications of product to customer e.g. premium grade of construction materials, world-class brand name kitchen furniture and a stained-glass door for houses' main front door.

PRODUCT (Service Elements)

Q.7 Does the company give customer opportunity to change the house layout or house feature?

A.7 Since the project is a ready-to-move-in housing project. All houses in the project must be completely finished before sales. However, there were some cases where the construction was 90% finished and customers agreed to buy. We do not give an opportunity to customers to change house's exterior feature and interior layout or any parts of the house both inside and outside before selling. The customer may adapt the interior layout or make some changes later after sales with their own extra expense. We have learnt that some of customers do not like the designs provided by us and we plan to offer more choices to the customers of company's future project. We may provide the customers options of material colour, design or style within the same price range.

Q.8 In what ways does the company help customers dealing with bank or financial institution for their house loan?

A.8 The company coordinates with banks to provide this service to company's customers. From the project's record, 40% of our customers need a house loan from a bank whereas 60% of our customers do not need it. 40% is considered small compared to that found in the other projects of the company.

PRICE

Q.9 Do you think the price of your development is quite high/or low compared to other development projects around your project? Why?

A.9 The price of the houses of this project is quite expensive. The reason is because of the project location and the high quality specification of materials used within the project.

PLACE

- Q.10 Does the company use off-site sales offices of its own or others by appointing real estate agents? Does it help the company sell more if there is/are other sales office apart from on-site sales office? What are the ratios of introduction leading to sales on site compared to off site?
- A.10 This project has only one sales office at the project site. We do not have our own in-house sales persons. We appoint a sole agent which is a subsidiary company of company group.

PROMOTION

- Q.11 Does the company provide any promotions to customer? What are they? To what extent do you think whether these help increase sales? What do the customers say they like about them?
- A.11 The sales promotion is always changed. In one year, the company normally arranges 5 promotions for a project. For this project, apart from discount the sales promotion used is to offer added value to customers. We offer premium product or service, for example, we had a promotion of free designing for home theatre with appliances in the living room of houses. At this moment we offer free exterior gardening using lucky plants, free common utility fee up to Dec 2006. A special promotion offered in this month is 400,000 and 600,000 baht discount to the customers who buy a house in July 2005.
- Q.12 Is the company interested in offering other sales promotions?
- A.12 As many other projects in the market offer sales promotions in physical form, our project try not to lead sales promotions by this way but by adding value.

ADVERTISING

Q.13 Do you record how customers hear about your development? Apart from on and off site sales offices, what results do you get for advertising?

A.13 We advertise this project by using billboards, on-site boards, signs, newspapers, direct mails and PR. The company also distributes newsletters and home catalogues to our existing customers and the visitors who go into company's webpage and register to company's database to receive information from the company. Most of the customers hear about the project through the billboards.

Q.14 Are there any customers for this project who are the repeat customers of the company?

A.14 Yes, we have some repeat customers who bought a house in this project. However, more repeat customers were seen in the company's condominium projects. This is because buying a unit of condominium is considered as one way of investment. Buyers who buy can easily sell a unit in higher price or let it and therefore buy more condominium units from us.

Q.15 To what extent do good relationships with past customer help reputation and brand profile?

A.15 Good relationships with customers are very important. The customers who are contented with the product and service of the company always mention or refer and recommend the company's name to their friends or family and thus the company has more customers.

Q.16 How much does the company devote to the relationship with their customer? And is there any reward from the relationship?

A.16 Our company has CIM team. The team always organizes events to build up a relationship with our customers, for example, last month the tem ran an event "House Lover Day". We offered a free service to check and clean air-conditioner system inside customer's house. In one company's housing project where there are a lot of Chinese-Thai residents we ran an event "The Moon

Festival”. The CIM team invited a famous Chinese-Thai professor to present the historical story of the Moon Ceremony. There are some events which are organized for sales. Existing customers are invited and are encouraged to bring their friends with them. At the same time, new target customers are invited to join the events. Both types of event bring about referrals and new customers. They also bring future reward which is repeat customers.

OTHERS

- Q.17 In what ways do you think the reputation and image of the company affect sales? How much does it apply to your company?
- A.17 The reputation and image of the company shows the experience of the company. We have a reputation in residential market both housing and condominium. We have been in the market for over 20 years. This long experience brings assurance to customers the quality of products and vision to develop new products in the future.
- Q.18 In what ways do you think the company’s experience and expertise in housing business influence the decision to buy of the customers?
- A.18 I think the customers of medium and high-end project consider the experience and expertise of developers as one of their considerations when deciding to buy a house. The customers can be assured the quality and vision of the developer’s products from developers’ experience.
- Q.19 Have your company or the management person in your company won any awards? In what ways do you think the award encourage customer to make decision to buy the development?
- A.19 None of management person in the company has received any awards. In my opinion, the award can encourage customers to walk into a project to visit and see but it has only little influence on decision making when buying a house from the project.

APPENDIX C INTERVIEW WITH DEVELOPER C

Company: A major development public company in Thailand

Interviewee: Marketing manager of the visited company's project

The researcher was asked not to mention the name of the company and the interviewee.

COMPANY

Q.1 How many years has your company established?

A.1 23 years. The company was established on 21 October 1982. At that time the company was to provide housing construction service on customer-owned land plot, to build and to lease out commercial properties, and to invest in real estate development. In 1992 we began our first single-family house development.

Q.2 What size is your company? How many employees are there in the company? How much is the company's turnover?

A.2 There are 700 employees working for the company. Company's turnover in year 2003 is approximately 6.1 billion Baht.

Q.3 How many development projects is the company undertaking at this moment (including the development visited)?

A.3 The company is undertaking 15 housing projects, 1 resort condominium project, 4 office buildings and 6 service apartments. 13 of 15 company's housing projects are located in easy-to-access fringe areas of Bangkok whereas only 1 project is located in the heart of Bangkok city. Another housing project is located in Chiangmai province. The resort condominium is located in Petchburi province. The office buildings and the service apartments are all located in the hub of Bangkok.

Next, the researcher interviewed the marketing manager about one of the company's residential projects located in a fringe area of Bangkok which is used to be a sample.

CUSTOMER

Q.4 How do you define your target groups of customer?

A.4 The project is a high-end project. The target group of customers of the project is business owner whose salary is over 200,000 baht a month. The average age of customers is above 40 years old.

PRODUCT (Goods Elements)

Q.5 How many house styles does the project offer to the customers? And how do your customers like this offer? Do you think whether this is a reason of customer's consideration on buying a development?

A.5 The project consists of 130 units of New England Cottage Style house. It is ready-to-move-in housing project. There are 4 designs of house offered to customers. The house designs are fixed on plots with only 4-8 units in a group. We offer choices of 3 bedroom/3 bathrooms up to 4 bedrooms/3 bedrooms to customers. House price starts from 10 million up to 30 million Baht. Usage area is between 280 and 380 sq.m on a plot area of 100 up to 250 sq.wa. Most of the customers usually consider a plot area and the location of the plot as the first priority. Next, they will consider the design of a house. There are only few customers who do not like the house designs (both exterior and interior) and the house materials arranged by the company. Most of the customers know that our company sells ready-to-move-in houses.

Q.6 Does your development provide any more special features than those offered by other developers e.g. using special materials, security system, facilities within the project or payment term and condition?

A.6 Our company focuses on the 5 qualities concept consisting of home design,

construction, community, security and reliable service. We apply this concept to all of our projects. Home design means that the construction of all our houses is completed before the houses are sold to ensure customer's satisfaction. Construction refers to the comfort and convenience customers receive when they move into their new house. Everything they need is installed. We provide heat protecting system at the roof of the house. We concern about safety in the house by providing a back-up generator to prevent possible accidents during black-outs, an automatic power cut system to guard against power surges, safety-type doorknobs in all bathrooms for the safety of children and the elderly and non-slip ceramic tiles in all bathrooms. For preventing future problems, spraying for termites is used with underground pipes and on beam/pile construction is used to protect the garage's structural integrity. Community refers to the warm society among the residents of the project. Therefore, the project provides facilities such as a swimming pool, tennis courts, and public parks to serve the community. Besides this, the company usually set up an event every month inviting all residents to meet and join activities. Security means that all houses are equipped to guarantee customer's safety and win their trust. The project uses the Integrated Security system including 3-metre high gate surrounding the project, double security at the project main entrance, CCTV located at every road in the project, Intercom connected between each house and guard house and security system inside each house. Finally, reliable service means that company's after-sales service department is another part of the effort to ensure that all our customers continue to enjoy the highest quality of life for as long as they live in any of our projects.

PRODUCT (Service Elements)

- Q.7 Does the company give customer opportunity to change the house layout or house feature?
- A.7 We do not allow customers to change house layout or house features. Our customers know that our product is a ready-to-move-in house and the house

must be completely finished before sold.

Q.8 In what ways does the company help customers dealing with bank or financial institution for their house loan?

A.8 We coordinate with a bank to allocate bank officers to station at the site office every weekend and give services or advice to customers who are looking for a house loan. In the near future, the company will have our own bank for house loan to serve our customers. The customers can also find a house loan from the bank they know.

Q.9 Are there any services the company provides to their customer which might encourage customer's buying decision?

A.9 We have after sale services provided to customers. For example, after a 2-year house warranty finish, after sale service team contacts the house owner and ask about the condition of their house. We offer a service to the owners who want to fix or improve the condition of the houses.

PRICE

Q.10 Do you think the price of your development is quite high/or low compared to other development projects around your project? Why?

A.10 The house price of this project is higher than other competitive projects due to material specification. We use high quality of materials for the project. Although our company has a reputation in the housing market, we do not use the name as a reason to sell our products in higher price.

PLACE

Q.11 Does the company use off-site sales offices of its own or others by appointing real estate agents? Does it help the company sell more if there is/are other sales office apart from on-site sales office? What are the ratios of introduction leading to sales on site compared to off site?

A.11 The sales office is located on site. We do not have any off-site sales offices and do not appoint any sole agents. Before the customers make a decision to buy, they would like to see sample houses. Especially in hi-end project, customers usually see detail materials used with the house, e.g. floor marble, tiles, wall paper. On-site sales office is most efficient for this reason. The reason that the company uses in-house sale persons but not sole agents is that we believe that the company can learn the market and customer behaviour from the experience of our in-house sales persons. It is easier to control and train the in-house sale persons. The company can also improve our own marketing strategy by the experience. The company sometimes joins the exhibition. However, we never made any sales in the exhibition. There were some cases where customers made a booking in the exhibition in order to get a special sales promotion offered in the exhibition but they were the customers who had ever visited the on-site sales office.

PROMOTION

Q.12 Does the company provide any promotions to customer? What are they? To what extent do you think whether these help increase sales? What do the customers say they like about them?

A.12 Sales promotions are always changed. They are depended on the situation of the market and the company. At this moment we offer discount to customers of this project. For high-end product, the sales promotions can motivate customer to make decision to buy quicker but they do not help increase sales much. This is different from what is seen in low-end market segment.

Q.13 Is the company interested in offering other sales promotions?

A.13 In the near future when the company has our own bank, we plan to offer zero-down payment for our customers.

ADVERTISING

Q.14 Do you record how customers hear about your development? Apart from on and off site sales offices, what results do you get for advertising?

A.14 The advertising means we use includes billboard, on-site board, sign, direct mail and newsletter. We also use MGM – member get member encouraging existing customers to recommend new customers to the project. Both existing and new customers will get discount when new customers decide to buy. The most efficient means are billboard, direct mail and MGM or referral.

Q.15 Are there any customers for this project who are the repeat customers of the company?

A.15 Yes. From last year record, 30% of our customers are repeat customers. The customers also grow along with the company. Some customers who bought medium-end product from the company and are satisfied with the product and service come back to us again and buy a luxury house when they are wealthier.

Q.16 To what extent do good relationships with past customer help reputation and brand profile?

A.16 If the company can remind their customers that they are concerned about good relationships with the customers, this definitely helps company reputation. Our past customers who are satisfied with the product and service of the company including good relationships with customers recommend us to their family and friends or even colleagues.

Q.17 How much does the company devote to the relationship with their customer? And is there any reward from the relationship?

A.17 The relationship with our customers can be seen from after sales service. We have repeat customers who bought a house in our past project and are satisfied with the company's product and service. And as mentioned before, the company arranges monthly events to the community in the project. This builds relationships between the company and the customers. The company also

arranges a fund to the community in order that they can create and maintain their own activities within the community. This is an emotional issue. Some customers who realize this company concern regarding relationship with customer are impressed with the company. They might become our repeat customers in the future. Some of them mention our name or recommend us to the people they know.

OTHERS

Q.18 In what ways do you think the reputation and image of the company affect sales? How much does it apply to your company?

A.18 For high-end product, the reputation and image of the company is very important and affect sales. This directly applies to this project.

Q.19 In what ways do you think the company's experience and expertise in housing business influence the decision to buy of the customers?

A.19 The experience and expertise of the company give assurance to the customers the quality of the company's product and service.

Q.20 Have your company or the management person in your company won any awards? In what ways do you think the award encourage customer to make decision to buy the development?

A.20 None of the company's management person has received award. The award might help a company in the sense of promoting. However, I do not think that it affects decision making to buy of customers.

APPENDIX D INTERVIEW WITH DEVELOPER D

Company: A development company in Thailand

Interviewee: Marketing manager of the visited company's project

The researcher was asked not to mention the name of the company and the interviewee.

COMPANY

Q.1 How many years has your company established?

A.1 It has been almost 3 years. The company is considered very new in the market. It is founded by 5 partners. However, some of the partners have experience in housing business. Their past projects are known in the housing market.

Q.2 What size is your company? How many employees are there in the company?
How much is the company's turnover?

A.2 The company employs 15 in-house staffs carrying out management, marketing and finance whereas we use out-source staffs for accounting, design and construction and advertising. The value of the project is 420 million Baht.

Q.3 How many development projects is the company undertaking at this moment (including the development visited)?

A.3 The company is undertaking only 1 housing project located in the heart of Bangkok.

CUSTOMER

Q.4 How do you define your target groups of customer?

A.4 The project is a high-end project and the target groups of customer is high-end group. Most are business owners. From the record, almost 50% of our customers bought the house for investment purpose e.g. for let or sales in higher price in the future (see Appendix G).

PRODUCT (Goods Elements)

Q.5 How many house styles does the project offer to the customers? And how do your customers like this offer? Do you think whether this is a reason of customer's consideration on buying a development?

A.5 The project consists of 26 units of Oriental Contemporary style house. There are 2 designs of 4-floor house offered to the customers. Both type A and type B are designed for 4 bedrooms/6 bathrooms. Type A provides the usage area of 512 sq.m and is arranged in the plot area of 80 sq.wa whereas type B provides the usage area of 614 sq.m and is arranged in the plot area of 83 sq.wa. The price is 16.5 and 18 million Baht for type A and type B, respectively. We have received good response from customers regarding the styles of the house. Type B is more interested by customers because its price per sq.m is cheaper. At this moment we have only 3 units of type A left for sales.

Q.6 Does your development provide any more special features than those offered by other developers e.g. using special materials, security system, facilities within the project or payment term and condition?

A.6 The project is located in a prime area which surrounded by business area and residential area. It is in the heart of the city and there are accesses from the project to every part of Bangkok. The entrance to expressway and motorway is very nearby the project. Apart from the location, we provide wireless LAN, security system to every unit, CCTV around the project and there is a small

park located in the project. Our project does not provide a sport club for residents. Nevertheless, there is a sport club located next to the project. The facilities within the sport club include golf driving range, a sauna and a steam room, gym and a fitness room and a restaurant. For payment terms and condition, we have options for customer to choose. One of the options is a special deal offered from the bank we have connection with. The bank offers 3.5% interest rate of house loan whereas other banks offer interest rate at 5.75%. All other terms and condition are the same that is 10 to 25 years payment duration and 30% down payment.

PRODUCT (Service Elements)

Q.7 Does the company give customer opportunity to change the house layout or house feature?

A.7 We do not allow customers to change the external feature of house. For internal layout of house, the customers are more flexible to change the layout but this must not affect the structure of the house. However, the customers need to inform the company regarding the adaptation before the original work starts.

Q.8 In what ways does the company help customers dealing with bank or financial institution for their house loan?

A.8 We do recommend the banks we know to the customers who look for a house loan.

PRICE

Q.9 Do you think the price of your development is quite high/or low compared to other development projects around your project? Why?

A.9 Comparing with competitive projects, the price of this project is not higher than others. Some condominiums project sells at 50,000 Baht per sq.m whereas we sell at approximately 30,000 Baht per sq.m.

PLACE

- Q.10 Does the company use off-site sales offices of its own or others by appointing real estate agents? Does it help the company sell more if there is/are other sales office apart from on-site sales office? What are the ratios of introduction leading to sales on site compared to off site?
- A.10 The company has only one on-site sales office. Since the project is small, we do not appoint real estate agents or set up an off-site sales office.

PROMOTION

- Q.11 Does the company provide any promotions to customer? What are they? To what extent do you think whether these help increase sales? What do the customers say they like about them?
- A.11 The sales promotion we offer to the customer includes free air-conditioners, free exterior landscape gardening, free Jacuzzi system in a bathroom and free membership of the sport club nearby the project or these can be exchanged into a discount. These promotions can speed up customer to make decision to buy. However, the sales promotion should always be changed depending on the situation and trend of the market.

ADVERTISING

- Q.12 Do you record how customers hear about your development? Apart from on and off site sales offices, what results do you get for advertising?
- A.12 The major advertisement of this project is on-site and off-site board and most of customers come to us through these ways. Also there are customers who know us from referral. When the project was first launched, we also used PR through newspaper to present the project and the partners of the company. This is how the old customers of the company's partners heard about the project.

Q.13 Are there any customers for this project who are the repeat customers of the company?

A.13 Yes, there are some customers who are the old customers of the past projects of the company's partners. These customers are considered 40% of all customers.

Q.14 To what extent do good relationships with past customer help reputation and brand profile?

A.14 The good relationships with customers are very important. If the customers are dissatisfied with the company, they do not only never come back to us but also create bad company reputation in the market.

Q.15 How much does the company devote to the relationship with their customer? And is there any reward from the relationship?

A.15 Since the sales of this project goes very fast, the company has not yet arranged any activities giving an opportunity for customer to meet the project team. However, we plan to prepare a "Thank You" party for the customers in the near future.

OTHERS

Q.16 In what ways do you think the reputation and image of the company affect sales? How much does it apply to your company?

A.16 The reputation and image of the company affects sales especially for high-end project. It help convince the customers the commitment the company gives to the customers that they will be received the product and service as they expect to have when they decide to buy.

Q.17 In what ways do you think the company's experience and expertise in housing business influence the decision to buy of the customers?

A.17 The company's experience and expertise show customers the potential of the company to satisfy them with product and service. Since our company is very new, some customers asked us about this. We have to refer to them the names and the profile of the past projects of the company's partners.

Q.18 Have your company or the management person in your company won any awards? In what ways do you think the award encourage customer to make decision to buy the development?

A.18 Our company has never won any awards but one of the past projects of the company's partner won an award. I was working for that project at that time. The project was awarded for house design from the US. The award can help promote the project but it does not influence customers to buy.

APPENDIX E QUESTIONNAIRE FOR DEVELOPERS' CUSTOMERS

CUSTOMER

1. What is your age?

- ☐ Between 18-29 years
- ☐ Between 30-39 years
- ☐ Between 40-49 years
- ☐ Between 50-59 years
- ☐ 60 years and above

2. Which range does your salary apply to?

- ☐ 10,001 – 30,000 Baht per month
- ☐ 30,001 – 50,000 Baht per month
- ☐ 50,001 – 100,000 Baht per month
- ☐ 100,001 – 150,000 Baht per month
- ☐ 150,001 – 200,000 Baht per month
- ☐ More than 200,000 Baht per month

3. What is your main propose in buying the development? (You can choose more than one option)

- ☐ Living ☐ Investment

4. Are you a repeat customer of the developer's company? ☐ YES ☐ NO

PRODUCT (Goods Elements)

5. Please rate each of the following items which you may be satisfied by the developer's products and influence your decision in buying a house/houses from the developer. (If the item is not available in the development project, please choose N/A)

	Very dissatisfied 1	Quite dissatisfied 2	Neutral 3	Quite satisfied 4	Very satisfied 5	N/A
a) House style	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Layout of house or unit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Quality of house materials	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Security of the house and surrounding development area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Vicinity of the development area e.g. BTS skytrain, department store, school and hospital	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Facility provided within the development project e.g. steam room, sauna room, sport club and golf course	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Access to various parts of the city	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Provision of high speed internet connection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) Payment term and condition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

PRODUCT (Service Elements)

6. Does the developer provide the following services to you?

- a) An indication of flexible choices of external and internal features of house by the buyers

☐ YES ☐ NO

If your answer is YES, do you think it is one of the reasons of your decision to buy the development? ☐ YES ☐ NO

- b) Provision of mortgage assistance or other financial service ☐ YES ☐ NO

If your answer is YES, do you think it is one of the reasons of your decision to buy the development? ☐ YES ☐ NO

- c) Indication of assistance for moving home ☐ YES ☐ NO

If your answer is YES, do you think it is one of the reasons of your decision to buy the development? ☐ YES ☐ NO

PRICE

7. What is the price of your development bought from the developer?

- ☐ Between 5.0 – 7.5 million
☐ Between 7.5 – 10.0 million
☐ Between 10.0 – 12.5 million
☐ Between 12.5 – 15.0 million
☐ More than 15 million

8. How do you think about the price in relation to value of your chosen development?

- ☐ Expensive
☐ Quite expensive
☐ Reasonable
☐ Cheaper than expected

PLACE

9. How do you think about our on-site sales office?

- a) Distance from your house ☐ Too far ☐ Fair distance
b) Location ☐ Difficult to find ☐ Easy to find

10. Does the company have any off-site sales office? ☐ YES ☐ NO

If your answer is NO, would you recommend us to provide off-site sales office? ☐ YES ☐ NO

If your answer is YES, where would you recommend the place?

- ☐ Shopping Mall/Centre
☐ Commercial/Business Building
☐ Others (Please specify)

PROMOTION

11. Please rate your satisfaction on the promotion offered by the developer. If one of the following promotions is not available in the development you chose, please select N/A.

	Very dissatisfied 1	Quite dissatisfied 2	Neutral 3	Quite satisfied 4	Very satisfied 5	N/A
a) Discounted price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Free kitchen furniture and appliances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Free bathroom furniture	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Free memberships of sport club/golf club	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Free interior decoration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Free landscape design for exterior garden	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Chance to win lucky draw for a car	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

For the promotions which are not available, would you like them to be offered by the developer?

☐ YES ☐ NO

If your answer is YES, please give the degree of your interest.

	Very uninterested 1	Quite uninterested 2	Neutral 3	Quite interested 4	Very interested 5
a) Discounted price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Free kitchen appliances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Free bathroom furniture	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Free memberships of sport club/golf club	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Free interior decoration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Free landscape design for exterior garden	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Chance to win lucky draw for a car	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. Do you think the promotions offered are parts of your consideration to buy the development?

☐ YES ☐ NO

ADVERTISING

13. How did you know about the development project? (You can choose more than one answer)

- ☐ Newspaper advertisement
- ☐ Magazine advertisement
- ☐ On-site display board
- ☐ Off-site display board
- ☐ Company's newsletter
- ☐ Developer's other developments
- ☐ Referral
- ☐ Developer's homepage

OTHERS

14. Do you think the following criteria influence your decision on buying the development?

	YES	NO
a) Reputation and image of the developer's company	<input type="radio"/>	<input type="radio"/>
b) The developer's experience and expertise in housing business	<input type="radio"/>	<input type="radio"/>
c) The award won by the developer's company	<input type="radio"/>	<input type="radio"/>
d) The award won by company's product	<input type="radio"/>	<input type="radio"/>

15. Please rate your overall satisfaction to the developer's products and service through each of the following items which influence your decision in buying a house/ houses from the developer.

	Very dissatisfied 1	Quite dissatisfied 2	Neutral 3	Quite satisfied 4	Very satisfied 5	N/A
a) Product (Goods Elements)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Product (Service Elements)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Place of sales office	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Promotion offered by the project	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Advertisement presented by the project	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Company's reputation and image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Company's customer relationship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) Service after sales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Have you introduced or referred the project to other people whom you know?

☐ YES ☐ NO

APPENDIX F RESULT OF QUESTIONNAIRE SURVEY

RESULT OF QUESTIONNAIRE SURVEYS

	COMPANY				Remark
	A	B	C	D	
Numbers of questionnaire released to developer's customers	30	30	30	25	
Feedback received from the developer's customer	14	12	16	18	
Percentage of questionnaire response	47%	40%	53%	72%	
CUSTOMER					
1 What is your age?					
Between 18-29 years old	0%	0%	0%	0%	
Between 30-39 years old	21%	8%	13%	17%	
Between 40-49 years old	50%	67%	69%	61%	
Between 50-59 years old	29%	25%	19%	22%	
60 years old and above	0%	0%	0%	0%	
2 Which range does your salary apply to?					
15,001 – 30,000 Baht per month	0%	0%	0%	0%	
30,001 – 50,000 Baht per month	7%	0%	0%	6%	
50,001 – 100,000 Baht per month	0%	0%	13%	11%	
100,001 – 150,000 Baht per month	14%	8%	19%	28%	
150,001 – 200,000 Baht per month	29%	8%	50%	28%	
More than 200,000 Baht per month	50%	83%	19%	28%	
3 What is your main propose in buying the development? (You can choose more than one option)					
Living	89%	88%	91%	72%	
Investment	11%	13%	9%	28%	
4 Are you a repeat customer of the developer's company?					
YES	0%	0%	25%	0%	
NO	100%	100%	75%	100%	

	COMPANY				Remark
	A	B	C	D	
PRODUCT (Goods Elements)					
5 Please rate each of the following items which you may be satisfied by the developer's products and influence your decision in buying a house/houses from the developer. (If the item is not available in the development project, please choose N/A)					
a) House style	4.6	4.5	4.4	4.4	5 = Very satisfied
b) Layout of house or unit	4.4	3.9	4.4	4.1	4 = Quite Satisfied
c) Quality of house materials	3.8	3.7	4.1	3.6	3 = Neutral
d) Security of the house and surrounding development area	3.8	3.5	4.3	3.9	2 = Quite dissatisfied
e) Vicinity of the development area e.g. BTS skytrain, department store, school and hospital	4.6	4.7	3.1	4.3	1 = Very dissatisfied
f) Facility provided within the development project e.g. steam room, sauna room, sport club and golf course	3.8	3.7	3.9	0.0	N/A = not available in the development project
g) Access to various parts of the city	4.6	4.8	3.5	4.3	
h) Provision of high speed internet connection	0.0	0.0	0.0	3.9	
i) Payment term and condition	3.4	3.2	3.5	3.9	
PRODUCT (Service Elements)					
6 Does the developer provide the following services to you?					
a) An indication of flexible choices of external and internal features of house by the buyers					
If your answer is YES, do you think it is one of the reasons of your decision to buy the development?	YES	100%	0%	0%	100%
	NO	0%	100%	100%	0%
b) Provision of mortgage assistance or other financial service	YES	43%	0%	0%	72%
	NO	57%	0%	0%	28%
If your answer is YES, do you think it is one of the reasons of your decision to buy the development?	YES	100%	100%	100%	100%
	NO	0%	0%	0%	0%
c) Indication of assistance for moving home	YES	64%	50%	56%	83%
	NO	36%	50%	44%	17%
If your answer is YES, do you think it is one of the reasons of your decision to buy the development?	YES	0%	0%	0%	0%
	NO	100%	100%	100%	100%
d) Indication of assistance for moving home	YES	0%	0%	0%	0%
	NO	0%	0%	0%	0%
If your answer is YES, do you think it is one of the reasons of your decision to buy the development?	YES	0%	0%	0%	0%
	NO	0%	0%	0%	0%

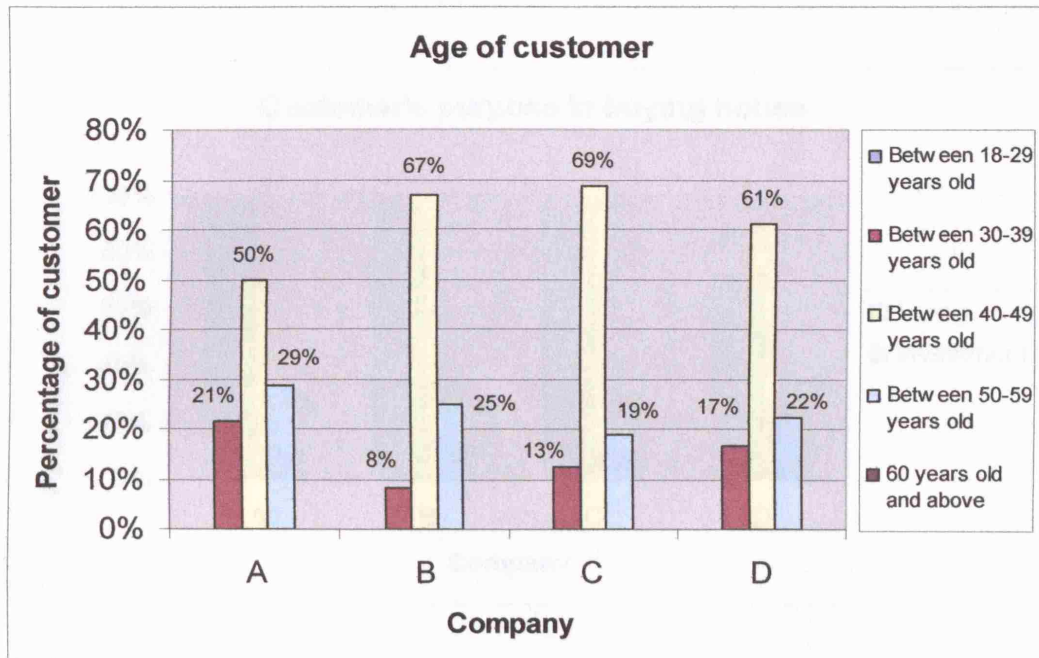
	COMPANY				Remark
	A	B	C	D	
PRICE					
7 What is the price of your development bought from the developer?					
Between 5.0 – 7.5 million	0%	0%	0%	0%	
Between 7.5 – 10.0 million	0%	0%	0%	0%	
Between 10.0 – 12.5 million	0%	0%	25%	0%	
Between 12.5 – 15.0 million	0%	0%	19%	0%	
More than 15 million	100%	100%	56%	100%	
8 How do you think about the price in relation to value of your chosen development?					
Expensive	14%	0%	6%	0%	
Quite expensive	57%	42%	44%	61%	
Reasonable	29%	58%	50%	39%	
Cheaper than expected	0%	0%	0%	0%	
PLACE					
9 How do you think about our on-site sales office?					
a) Distance from your house					
Too far	0%	8%	25%	11%	
Fair distance	100%	92%	75%	89%	
b) Location					
Difficult to find	0%	8%	69%	17%	
Easy to find	100%	92%	31%	83%	
10 Does the company have any off-site sales office?					
YES	0%	0%	0%	0%	
NO	100%	100%	100%	100%	
If your answer is NO, would you recommend us to provide off-site sales office?					
YES	36%	17%	56%	33%	
NO	64%	83%	44%	67%	
If your answer is YES, where would you recommend the place?					
Shopping Mall/Centre	60%	50%	44%	75%	
Commercial/Business Building	40%	50%	56%	25%	
Others (Please specify)	0%	0%	0%	0%	

	COMPANY				Remark
	A	B	C	D	
PROMOTION					
11 Please rate your satisfaction on the promotion offered by the developer. If one of the following promotions is not available in the development you chose, please select N/A.					5 = Very satisfied 4 = Quite Satisfied 3 = Neutral 2 = Quite dissatisfied 1 = Very dissatisfied N/A = not available in the development project
a) Discounted price	3.7	3.9	3.8	3.9	
b) Free kitchen furniture and appliances	3.6	3.7	3.8	N/A	
c) Free bathroom furniture	3.9	3.7	3.9	3.8	
d) Free memberships of sport club/golf club	3.8	3.3	3.6	3.3	
e) Free interior decoration	N/A	N/A	N/A	N/A	
f) Free landscape design for exterior garden	4.6	3.8	4.2	3.9	
g) Chance to win lucky draw for a car	N/A	N/A	N/A	N/A	
For the promotions which are not available, would you like them to be offered by the developer?					
YES	93%	58%	81%	89%	
NO	7%	42%	19%	11%	
If your answer is YES, please give the degree of your interest.					
a) Discounted price	4.4	5.0	4.9	4.4	
b) Free kitchen furniture and appliances	3.8	3.1	3.8	4.0	5 = Very interested
c) Free bathroom furniture	3.8	3.1	4.0	4.0	4 = Quite interested
d) Free memberships of sport club/golf club	3.8	3.4	3.7	3.6	3 = Neutral
e) Free interior decoration	4.4	3.0	3.9	4.3	2 = Quite uninterested
f) Free landscape design for exterior garden	4.3	3.4	3.8	4.2	1 = Very uninterested
g) Chance to win lucky draw for a car	3.3	2.7	3.2	3.8	
12 Do you think the promotions offered are parts of your consideration to buy the development?					
YES	57%	17%	75%	89%	
NO	43%	83%	25%	11%	
ADVERTISEMENT					
13 How did you know about the development project? (You can choose more than one answer)					N/A = not available in the development project
Newspaper advertisement	3%	13%	10%	2%	
Magazine advertisement	0%	0%	0%	3%	
On-site display board	10%	4%	0%	21%	
Off-site display board	53%	75%	56%	32%	
Company's newsletter	0%	0%	6%	0%	
Developer's previous developments	0%	0%	11%	0%	
Referral	33%	4%	17%	42%	
Developer's homepage	0%	4%	0%	0%	

	COMPANY				Remark
	A	B	C	D	
OTHERS					
14 Do you think the following criteria influence your decision on buying the development?					
a) Reputation and image of the developer's company	YES 100%	100%	100%	94%	
	NO 0%	0%	0%	6%	
b) The developer's experience and expertise in housing business	YES 100%	100%	100%	94%	
	NO 0%	0%	0%	6%	
c) The award won by the developer's company	YES 43%	17%	63%	61%	
	NO 57%	83%	38%	39%	
d) The award won by company's product	YES 29%	17%	38%	39%	
	NO 71%	83%	63%	61%	
15 Please rate your overall satisfaction to the developer's products and service through each of the following items which influence your decision in buying a house/ houses from the developer.					
a) Product (Goods Elements)	4.6	4.6	4.3	4.3	
b) Product (Service Elements)	4.2	4.2	4.3	4.3	
c) Price	3.4	3.3	3.5	3.4	
d) Place of sales office	3.8	3.8	3.3	3.6	
e) Promotion offered by project	3.5	3.3	3.4	3.5	
f) Advertisement presented by project	3.6	3.9	4.1	3.3	
g) Company's reputation and image	4.1	4.5	4.5	3.8	
h) Company's customer relationship	3.9	4.0	4.1	3.7	
i) Service after sales	3.7	3.7	4.1	3.6	
16 Have you introduced or referred the project to other people whom you know?					
YES	50%	67%	75%	89%	
NO	50%	33%	25%	11%	

5 = Very satisfied
4 = Quite Satisfied
3 = Neutral
2 = Quite dissatisfied
1 = Very dissatisfied

APPENDIX G CHART OF AGE OF CUSTOMER



APPENDIX H CHART OF CUSTOMER'S PURPOSE IN BUYING HOUSE

